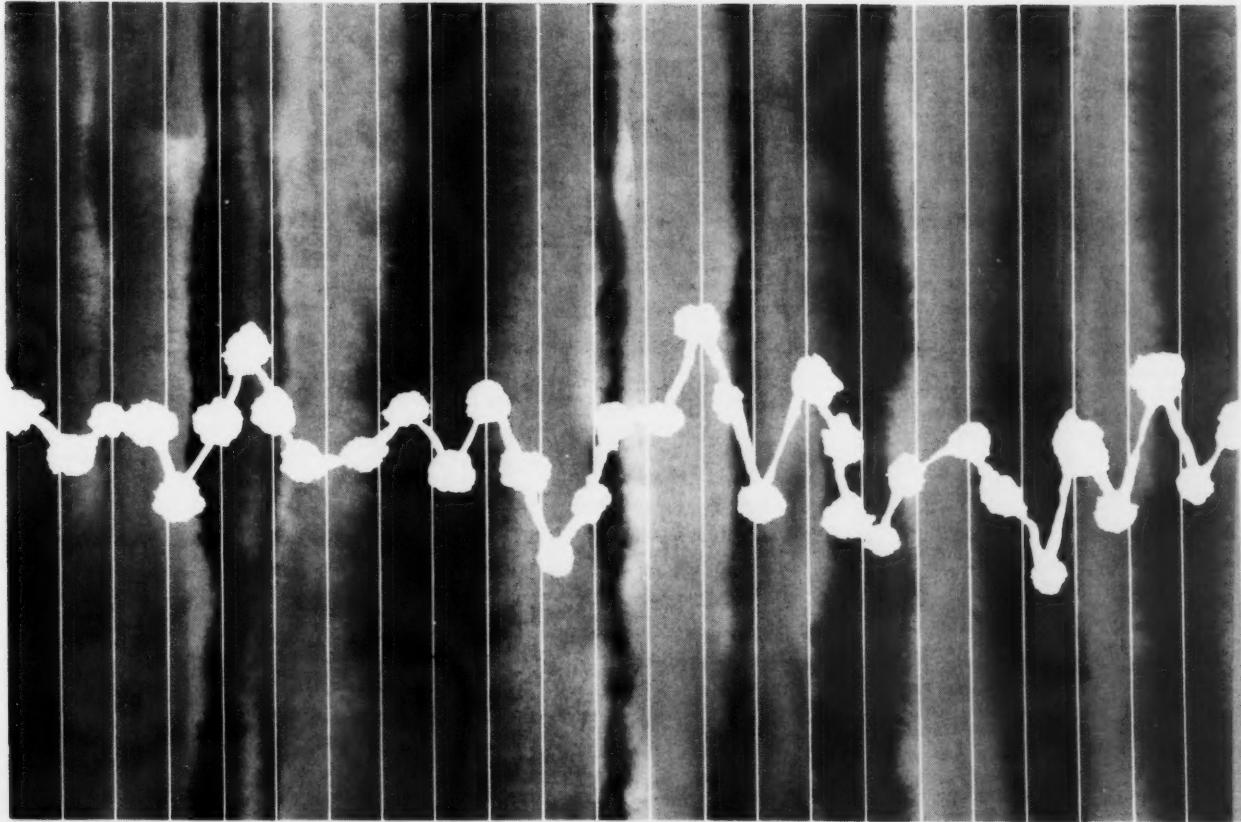


# defense indicators

**SEPTEMBER 1976**



U.S. DEPARTMENT OF COMMERCE • BUREAU OF ECONOMIC ANALYSIS



This report was prepared in the Statistical Indicators Division, Bureau of Economic Analysis. Technical staff and their responsibilities for the publication are—

Barry A. Beckman—Technical supervision and review,

Morton Somer—Selection of seasonal adjustment methods,

Betty F. Tunstall—Collection and compilation of basic data.

The cooperation of various government agencies which provide data is gratefully acknowledged.

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The Secretary of Commerce has determined that the publication of this periodical is necessary in the transaction of the public business required by law of this Department. Use of funds for printing this periodical has been approved by the Director of the Office of Management and Budget through September 1, 1977.

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## U. S. DEPARTMENT OF COMMERCE Elliot L. Richardson, Secretary

### BUREAU OF ECONOMIC ANALYSIS

George Jaszi, Director

Morris R. Goldman, Deputy Director

Beatrice N. Vaccara, Associate Director for  
National Analysis and Projections

Feliks Tamm, Editor

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This publication is prepared under the general guidance of an interagency committee established by the Office of Management and Budget. This committee consists of the following persons:

David T. Hulett, Chairman  
Office of Management and Budget

James D. August, Board of Governors of the Federal Reserve System

Murray F. Foss, Council of Economic Advisers, Executive Office of the President

Rose Glubin, Office of Assistant Secretary of Defense (Comptroller), Department of Defense

Dale W. Gordon, Bureau of the Census, Department of Commerce

Ronald Kutscher, Bureau of Labor Statistics,  
Department of Labor

Charles Waite, Bureau of Economic Analysis, Department of Commerce

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# defense indicators

September 1976  
Series ES4 No. 76-9

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SPECIAL NOTICE FOR USERS OF DEFENSE INDICATORS

Your evaluation of Defense Indicators is needed. Are you satisfied with the content of this publication and the way it is presented? What could be done to improve Defense Indicators? Please send us your comments and suggestions.

The present Office of Management and Budget authorization for Defense Indicators expires on September 1, 1977. Before approval for the continuation of this publication is granted, we must establish whether DI serves its purpose of providing defense-oriented statistics. In the coming year, the future of Defense Indicators will be decided, and you can help us make that decision. Send your comments to Feliks Tamm, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, D.C. 20233.

## Introduction

The purpose of this monthly report is to bring together the principal time series on defense activity which influence short-term changes in the national economy. These include series on obligations, contracts, orders, shipments, inventories, expenditures, employment, and earnings. Most are monthly but a few quarterly series are included. The series numbers used are for identification purposes only and do not reflect relationships or order.

### Classification of Series

Chart 1 compares Government purchases of goods and services for national defense with total gross national product. GNP is the market value of the final output of goods and services produced by the Nation's economy and represents a very broad measure of aggregate economic activity. In addition to national defense purchases, it includes Federal Government purchases of goods and services for nondefense purposes, State and local government purchases, personal consumption expenditures, gross private domestic investment, and net exports of goods and services. Chart 1 also presents national defense purchases as a percent of gross national product and, for both series, changes from the previous quarter.

A related group of series is shown in Chart 4, "Defense Related Balance of Payments Components." These series show the effects of defense-related economic activity on the balance of payments accounts.

The remaining series are grouped in accordance with the time at which the activities they measure occur within the defense order-production-delivery process. Those series measuring activities that usually precede production, such as new orders placed with defense products industries and contract awards, are presented in Chart 2, "Advance Indicators of Defense Activity." Chart 3, "Intermediate and Final Indicators of Defense Activity," presents series that measure activities which tend to move at the same time as production (such as employment) and activities which usually follow production (such as shipments).

### Series Included

Following is a list of the series as they appear in charts 1, 2, 3, and 4 (the source agencies are abbreviated in parentheses; detailed lists of sources for charts 1, 2, and 3 appeared as appendixes to the August and October 1968 issues of this report).

#### Gross National Product and National Defense Purchases

Gross national product (BEA)  
Federal Government purchases of goods and services, national defense (BEA)  
National defense purchases as a percent of gross national product (BEA)  
Gross national product, changes from previous quarter (BEA)  
National defense purchases, changes from previous quarter (BEA)

#### Advance Indicators of Defense Activity

Defense Department gross obligations incurred, total (DOD)  
Defense Department gross obligations incurred, procurement (DOD)  
Gross obligations incurred outside the Government for national defense (Treasury)

Defense Department military prime contract awards for work performed in the United States (DOD)

Defense Department gross unpaid obligations outstanding (DOD)

Manufacturers' new orders (Census):

    Defense products industries

    Defense products

Manufacturers' new orders from the U.S. Government, aerospace industries (Census):

Average weekly overtime hours, production workers, defense products industries (BLS)

Accession rate, defense products industries (BLS)

Layoff rate, defense products industries (BLS)

#### Intermediate and Final Indicators of Defense Activity

Output of defense and space equipment (FRB)

Manufacturers' inventories (Census):

    Defense products industries

    Defense products

Manufacturers' unfilled orders (Census):

    Defense products industries

    Defense products

Manufacturers' unfilled orders from the U.S. Government, aerospace industries (Census)

Defense Department progress payments outstanding (DOD)

Employment in defense products industries, total (BLS)

Employment in defense products industries, production workers (BLS)

Index of aggregate weekly hours, defense products industries (BLS)

Index of aggregate weekly payrolls, production workers, defense products industries (BLS)

Defense Department personnel, military, active duty (DOD)

Defense Department personnel, civilian, direct hire employment (DOD)

Defense Department net outlays, total, military functions and military assistance (DOD)

Defense Department net outlays, procurement (DOD)

Budget outlays for the national defense function (Treasury)

Defense Department personnel compensation (DOD)

Manufacturers' shipments (Census):

    Defense products industries

    Defense products

Manufacturers' shipments to the U.S. Government, aerospace industries (Census)

Ratio, manufacturers' unfilled orders to shipments (Census):

    Defense products industries

    Defense products

Ratio, manufacturers' inventories to shipments (Census):

    Defense products industries

    Defense products

#### Defense-Related Balance of Payments Components

Transfers under U.S. military agency sales contracts—exports (BEA)

Direct defense expenditures—imports (BEA)

U.S. Government cash receipts associated with military sales contracts (BEA)

Some additional data are included in the tables though not presented in the charts. These include Defense Department military prime contract awards by procurement category (e.g., for aircraft, missiles and space systems, ships, weapons, and ammunitions), the operations component of Defense Department

gross obligations incurred, gross unpaid obligations outstanding, and net outlays and the procurement component of gross unpaid obligations outstanding.

#### Description of Basic Data

The Department of Defense compiles statistics on obligations, contract awards, personnel compensation, and outlays. The DOD obligations and outlays data are based on the Defense Department's monthly *Status of Funds* report which is developed from accounting data and is designed to provide information on the total status of Defense Department financing. Accounts included in this report are aggregated by appropriation categories including personnel costs, operations and maintenance, procurement, research and development, and construction. The *Status of Funds* report duplicates some obligations. That is, obligations of one government unit to another unit are not netted out.

The Defense Department's *Contract Awards* report covers the awarding of procurement contracts. These include obligations for operating and maintenance supplies, equipment and services, research and development, and construction in addition to the obligations for items that constitute the fiscal "procurement" category. The statistics are aggregated by commodity categories including aircraft, missile and space systems, ships, weapons, ammunition, electronics and communication equipment, fuels, and textiles and clothing. The *Contract Awards* report includes procurement for NASA, other nondefense agencies, and the Foreign Military Sales Program which are not included in the *Status of Funds* report.

The Census quarterly new orders, unfilled orders and shipments series for "aerospace industries" are based on reports of companies classified into the following industry categories:

Industry	SIC Code
Aircraft and parts .....	372
Guided missiles and space vehicles, completely assembled ..	1925

The Census and BLS data for "defense products industries" presented in this report cover companies and establishments<sup>1</sup> classified into the following industry categories in accordance with the *Standard Industrial Classification Manual*, 1967 edition, Executive Office of the President, Bureau of the Budget:

Industry	SIC Code
Ordnance and accessories .....	19
Communication equipment .....	366
Aircraft and parts .....	372

Establishments reporting to the BLS are classified into industries on the basis of their principal product or activity as determined from information on annual sales volume, which is collected each year on a supplement to the monthly report. The entire employment of an establishment making more than one product or engaging in more than one activity is included under the industry accounting for the largest percentage of the annual sales of that establishment.

The Census Bureau's monthly survey is based primarily on reports at the company level and the monthly estimates are benchmarked to the establishment data from the *Annual Survey*

of Manufactures. Also, many of the large diversified companies file separate divisional reports monthly. Although the reports in the survey are also classified according to their principal product or activity, this difference in the organizational level from which reports are received results in firms being classified into different industries in the BLS and Census surveys and, consequently, limits somewhat the comparability of the data collected by these agencies. However, as we know from past studies in this area, some differences in industrial classification between BLS and Census data would remain even if reports came from the same organizational levels.

Both the Census and the BLS data include a significant amount of nondefense activities carried on by companies and establishments classified in the above industries. For example, the data cover the production of commercial as well as military aircraft. On the other hand, they exclude significant amounts of defense work carried on by companies and establishments classified in industries other than those listed above (e.g., the manufacture of military uniforms and the shipbuilding industry).<sup>2</sup>

Census data for "defense products" are based on separate reports on defense work filed by large defense contractors in the ordnance, communications, complete aircraft, aircraft parts, and shipbuilding industries. Thus, they differ from the "defense products industries" data in that they include defense activity in the shipbuilding industry and exclude nondefense work in the other industries covered. Defense products data cover work for the Department of Defense and exclude contracts for the National Aeronautics and Space Administration and the Atomic Energy Commission.

The DOD data are not strictly comparable in coverage with either the BLS or the Census data since the Defense Department figures (1) cover products of industries not included in the defense products category; (2) generally do not include non-defense activities (except that some series, such as contract awards, include activities by the Department of Defense on behalf of nondefense agencies); and (3) do not cover intermediate activities such as those related to subcontracting and supplying of parts. Thus, the Census Bureau data for manufacturers' new orders and shipments of defense products industries, for example, differ in coverage from the DOD contract awards and net outlays series.

The Department of Defense data are not comparable with Federal Government purchases of goods and services for national defense or the Treasury Department obligations and outlays data since the BEA and Treasury data cover defense-related activities of other agencies such as the Atomic Energy Commission, the Selective Service System, and the Office of Emergency Planning.

Projects to improve the comparability of the data collected by the Bureau of the Census, the Bureau of Labor Statistics, and the Department of Defense and to improve the separation of defense and nondefense activity for the Census and BLS data are being undertaken by the statistical agencies under the leadership of the Interagency Committee mentioned earlier in this report.

<sup>1</sup>An establishment is a single physical location where business is conducted (e.g., a plant). A company often includes more than one establishment.

<sup>2</sup>See the Bureau of the Census publication *Shipments of Defense-Oriented Industries*, Current Industrial Reports, Series MA-175, for annual estimates of shipments by industry to the Department of Defense, the National Aeronautics and Space Administration, and the Atomic Energy Commission. Included also are industries not covered by the "defense products industries" category.

## Variability of Data

Seasonal variations dominate the movements of many time series, and adjustments for average seasonal fluctuations are often necessary to bring out the underlying trends of the series. These seasonal adjustments allow for the effects of repetitive intrayear variations resulting primarily from normal differences in weather conditions and from various institutional arrangements. An additional adjustment is sometimes necessary for series which contain considerable variation resulting from the number of working or trading days in each month. As used in this report, the term "seasonal adjustment" includes trading-day adjustments where they have been made.

Most of the series in this report are shown in seasonally adjusted form. For Defense Department and BLS series, unadjusted data are also shown since they are not readily available elsewhere. Current seasonal adjustment factors are shown in appendix A.

The effect of seasonal adjustment in reducing the month-to-month variation in the data can be seen in appendix B. There, the first two columns show the average month-to-month percent change (without regard to sign) in the data before and after seasonal adjustment. Some series still show very irregular month-to-month movements after adjustment for seasonal variation. The measures in appendix B also indicate the month-to-month variation in the irregular and short-term trend components of the series. For many series, irregular movements tend to dominate 1- or 2-month comparisons, and the underlying short-term trend becomes dominant in comparisons over longer spans. The "months for cyclical dominance" (MCD) measure estimates the span of months required for the short-term trend to dominate the irregular component. Series with an MCD of 4 or more are supplemented with a moving average (with the

number of terms equal to MCD) in the charts. Data for these moving averages are listed in the basic data tables.

## Guide to Charts and Tables

Most series are plotted on a standard ratio scale so that equal percent changes cover the same vertical distance. For these series, an increase of 100 percent covers approximately 1 inch. Arithmetic scales are used for series with zero or negative data, series which could approach zero (e.g., average overtime hours and layoff rate), and series expressed in percent.

In general, monthly data are plotted with a solid line and quarterly data are represented by a solid line with quarterly plot points. Quarterly series are also identified with a "Q" after their titles. For series which include a moving average, a dashed line is used for the actual monthly data and a solid line for the moving average. (The moving average values are centered within the span of months they are computed from.) Exceptions to this scheme may be necessary for special situations. Data apply to the whole period except for series designated "EOM" (end of month) or "EOQ" (end of quarter). The number in the box at the right of each series indicates the latest month (Arabic) or quarter (Roman) plotted. Parallel lines across a series indicate a break in continuity (e.g., data not available or change in series definition).

Tables 1, 2, 3, and 4 present current data for the series shown in the charts, including the moving averages. They also include unadjusted data for some series and data for related series which are not plotted. Table A summarizes the most recent data and percent changes for many of the series in the report. Historical data are shown on an intermittent basis in appendix C. (The index indicates the appropriate issue for each series.)

### New Features and Changes for This Issue

1. Revised data for the period 1954 through May 1975 are shown in this issue for the series on Output of defense and space equipment (series 657). Revised data for the period since May 1975 were shown in the July issue. (See "New Features and Changes for This Issue," page 3 of the July DI.) Comparable data for the period prior to 1954 will be included when they become available.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Business Conditions Section.

2. Appendix C contains historical data for series 677 and 678.

The October issue of DEFENSE INDICATORS is scheduled for release on November 1.

**Table A. Summary of Recent Data and Current Percent Changes for Principal Defense Indicators**

(Preliminary and revised figures are not identified here but the user may consult tables 1, 2, 3, and 4 where such identification is given)

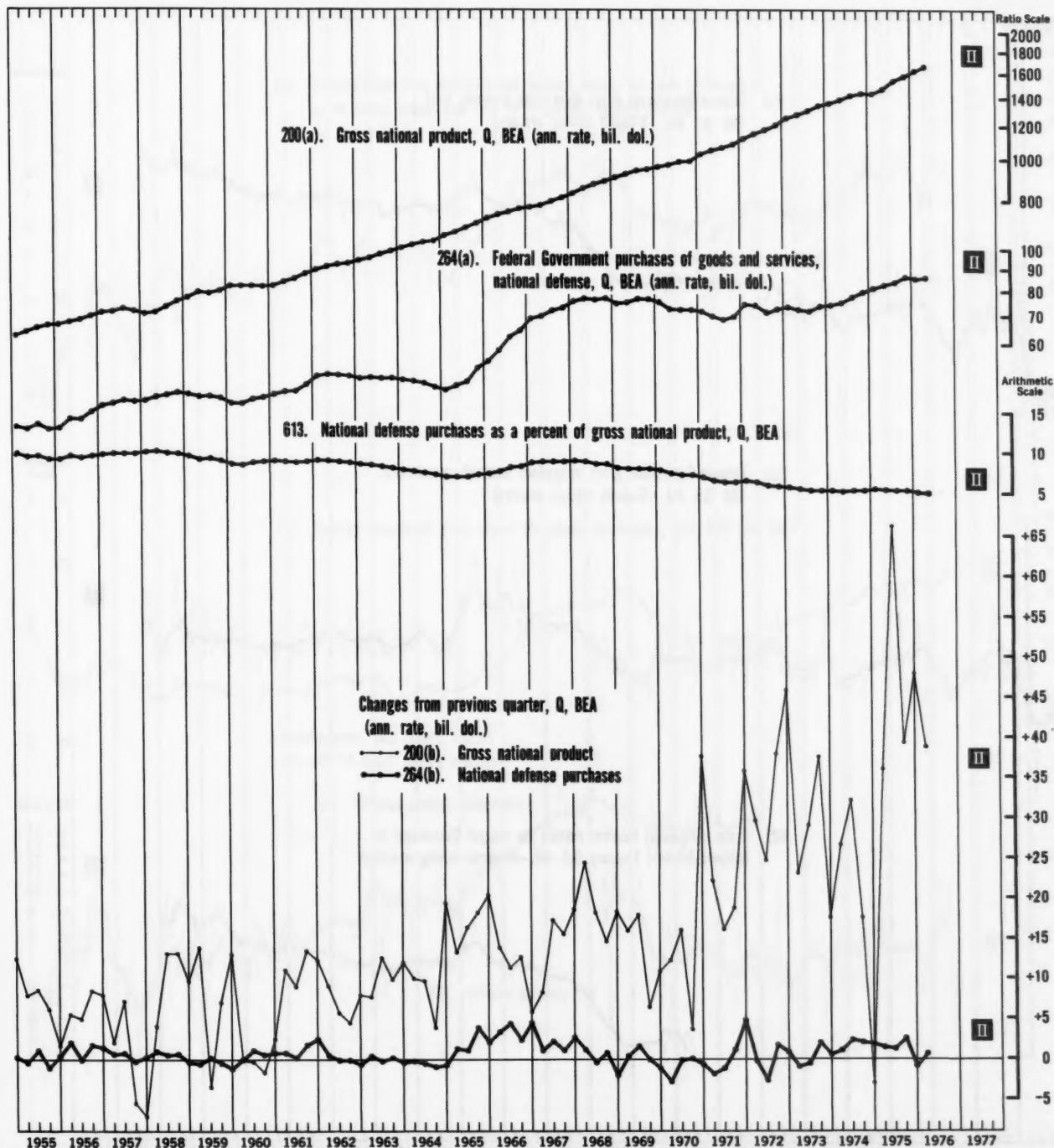
Series title	Unit of measure	Basic data								Percent change				Series number
		Average		4th Q 1975	1st Q 1976	2d Q 1976	June 1976	July 1976	Aug. 1976	June '76 to July '76	July '76 to Aug. '76	4th Q '75 to 1st Q '76	1st Q '76 to 2d Q '76	
		1974	1975											
GROSS NATIONAL PRODUCT AND NATIONAL DEFENSE PURCHASES														
200. Gross national product (BEA).....	Ann. rate, bil. dol. ....	1413.2	1516.3	1588.2	1636.2	1675.2	...	...	...	...	...	3.0	2.4	200
264. Federal Government purchases of goods and services, national defense (BEA).....	.... do .....	77.3	84.3	87.1	86.2	86.9	...	...	...	...	...	-1.0	0.8	264
613. National defense purchases as a percent of GNP (BEA) <sup>1</sup> .....	Percent .....	5.5	5.6	5.5	5.3	5.2	...	...	...	...	...	-0.2	-0.1	613
ADVANCE INDICATORS OF DEFENSE ACTIVITY														
Defense Dept. gross obligations incurred (DOD):														
617. Total .....	Ann. rate, bil. dol. ....	93.9	98.5	97.5	99.7	105.6	101.9	97.4	NA	-4.4	NA	2.3	5.9	617
621. Procurement .....	.... do .....	20.6	20.4	17.1	21.1	24.7	23.2	27.4	NA	18.1	NA	23.4	17.1	621
623. Gross obligations incurred outside the Federal Government for national defense (Treasury) .....	.... do .....	101.1	104.1	96.3	116.6	NA	NA	NA	NA	NA	NA	21.1	NA	623
625. Defense Department military prime contract awards for work performed in the U.S. (DOD) .....	.... do .....	41.4	43.3	35.9	50.8	43.9	45.8	26.8	NA	-41.5	NA	41.5	-13.6	625
643. Defense Department gross unpaid obligations outstanding (DOD) .....	Bil. dol., end of period .....	40.0	40.9	40.9	41.9	44.1	44.1	43.8	NA	-0.7	NA	2.4	5.3	643
648. Mfrs.' new orders, defense products (Census) .....	Ann. rate, bil. dol. ....	22.8	21.2	18.6	23.2	26.2	30.2	11.9	21.8	-60.6	83.2	24.7	12.9	648
650. Manufacturers' new orders from the U.S. Government, aerospace industries (Census) .....	.... do .....	19.1	18.3	20.9	15.9	NA	...	...	...	...	...	-23.9	NA	650
653. Average weekly overtime hours, production workers, defense products industries (BLS) <sup>1</sup> .....	Hours .....	2.8	2.5	2.5	2.6	2.4	2.5	2.7	NA	0.2	NA	0.1	-0.2	653
654. Accesions, defense products industries (BLS) <sup>1</sup> .....	Number per 100 employees .....	2.1	1.4	1.4	1.6	1.5	1.5	NA	NA	NA	NA	0.2	-0.1	654
655. Layoffs, defense products industries (BLS) <sup>1</sup> .....	.... do .....	0.6	1.2	0.8	0.8	0.6	0.7	NA	NA	NA	NA	0.0	-0.2	655
INTERMEDIATE AND FINAL INDICATORS OF DEFENSE ACTIVITY														
657. Output of defense and space equipment (FRB) .....	1967=100 .....	82.4	80.0	77.8	77.7	77.9	78.3	78.3	78.9	0.0	0.8	-0.1	0.3	657
659. Mfrs.' inventories, defense products (Census) .....	Bil. dol., end of period .....	6.5	7.8	7.8	8.1	8.5	8.5	8.6	NA	1.2	NA	3.8	4.9	659
661. Mfrs.' unfilled orders, defense products (Census) .....	.... do .....	24.6	25.4	25.4	25.6	26.6	26.6	25.9	25.9	-2.6	0.0	0.8	3.9	661
664. Manufacturers' unfilled orders from the U.S. Government, aerospace industries (Census) .....	.... do .....	20.7	21.8	21.8	21.3	NA	...	...	...	...	...	-2.3	NA	664
666. Defense Department progress payments outstanding (DOD)@.....	.... do .....	9.2	11.3	11.3	9.8	12.0	...	...	...	...	...	-13.3	22.4	666
Employment in defense products industries (BLS):														
670. Total .....	Thousands .....	1,177	1,118	1,081	1,078	1,069	1,064	1,049	1,063	-1.4	1.3	-0.3	-0.8	670
671. Production workers .....	.... do .....	618	570	542	540	535	533	516	531	-3.2	2.9	-0.4	-0.9	671
673. Index of aggregate weekly hours, defense products industries (BLS) .....	1967=100 .....	69.4	66.0	63.9	63.7	62.8	62.8	62.2	NA	-1.0	NA	-0.3	-1.4	673
675. Index of aggregate weekly payrolls, production workers, defense products industries (BLS) .....	.... do .....	98.2	100.5	99.6	100.9	99.6	100.5	100.0	NA	-0.5	NA	1.3	-1.3	675
Defense Department personnel (DOD):@.....														
677. Military, active duty .....	Thousands, end of period .....	2,140	2,084	2,084	2,090	2,082	2,082	2,087	2,085	0.2	-0.1	0.3	-0.4	677
678. Civilian, direct hire employment .....	.... do .....	1,043	1,028	1,028	1,016	1,010	1,010	1,014	NA	0.4	NA	-1.2	-0.6	678
Defense Department net outlays (DOD):														
680. Total, military functions and military assistance .....	Ann. rate, bil. dol. ....	83.6	88.5	91.9	83.9	85.7	78.3	104.0	89.8	32.8	-13.7	-8.7	2.1	680
682. Procurement .....	.... do .....	15.5	16.2	16.3	15.0	16.9	14.9	15.9	12.7	6.7	-20.1	-8.0	12.7	682
683. Budget outlays for the national defense function (Treasury) .....	.... do .....	84.8	92.5	95.9	82.0	87.7	81.5	104.6	88.9	28.3	-15.0	-14.5	7.0	683
685. Defense Dept. personnel compensation (DOD) .....	.... do .....	33.5	34.6	35.4	34.2	35.3	36.2	36.1	NA	-0.3	NA	-3.4	3.2	685
688. Mfrs.' shipments, defense products (Census) .....	.... do .....	18.9	20.4	21.1	22.5	22.1	20.8	20.6	21.4	-1.0	3.9	6.6	-1.8	688
689. Manufacturers' shipments to the U.S. Government, aerospace industries (Census) .....	.... do .....	15.2	17.3	17.1	18.2	NA	...	...	...	...	...	6.4	NA	689
691. Ratio, manufacturers' unfilled orders to shipments, defense products (Census) .....	Ratio .....	14.5	14.9	14.6	13.4	14.2	15.4	15.1	14.5	-1.9	-4.0	-8.2	6.0	691
693. Ratio, manufacturers' inventories to shipments, defense products (Census) .....	.... do .....	3.9	4.3	4.4	4.2	4.5	4.9	5.0	NA	2.0	NA	-4.5	7.1	693
DEFENSE-RELATED BALANCE OF PAYMENTS COMPONENTS														
546. Transfers under U.S. military agency sales contracts—exports (BEA) <sup>1</sup> .....	Ann. rate, mil. dol. ....	2,952	3,897	4,788	4,580	4,296	...	...	...	...	...	-208	-284	546
547. Direct defense expenditures—imports (BEA) <sup>1</sup> @.....	.... do .....	5,035	4,780	4,740	4,600	4,348	...	...	...	...	...	-140	-252	547
696. U.S. Government cash receipts associated with military sales contracts (BEA) <sup>1</sup> .....	.... do .....	2,942	4,591	5,260	9,176	7,580	...	...	...	...	...	3,916	-1,596	696

NOTE: This table is presented as a convenient summary of the current data for many of the indicators in this report. In many cases, data shown here are rounded to fewer digits or are in different units than those shown in tables 1, 2, 3, and 4. Where available, annual figures are those published by the source agencies; otherwise they (and the quarterly figures for monthly series) are averages or totals of the data as shown in the data tables. Series are seasonally adjusted except for those indicated by @, which appear to contain no seasonal movement.

NA = not available.

<sup>1</sup>Differences rather than percent changes are shown for this series.

## Gross National Product and National Defense Purchases



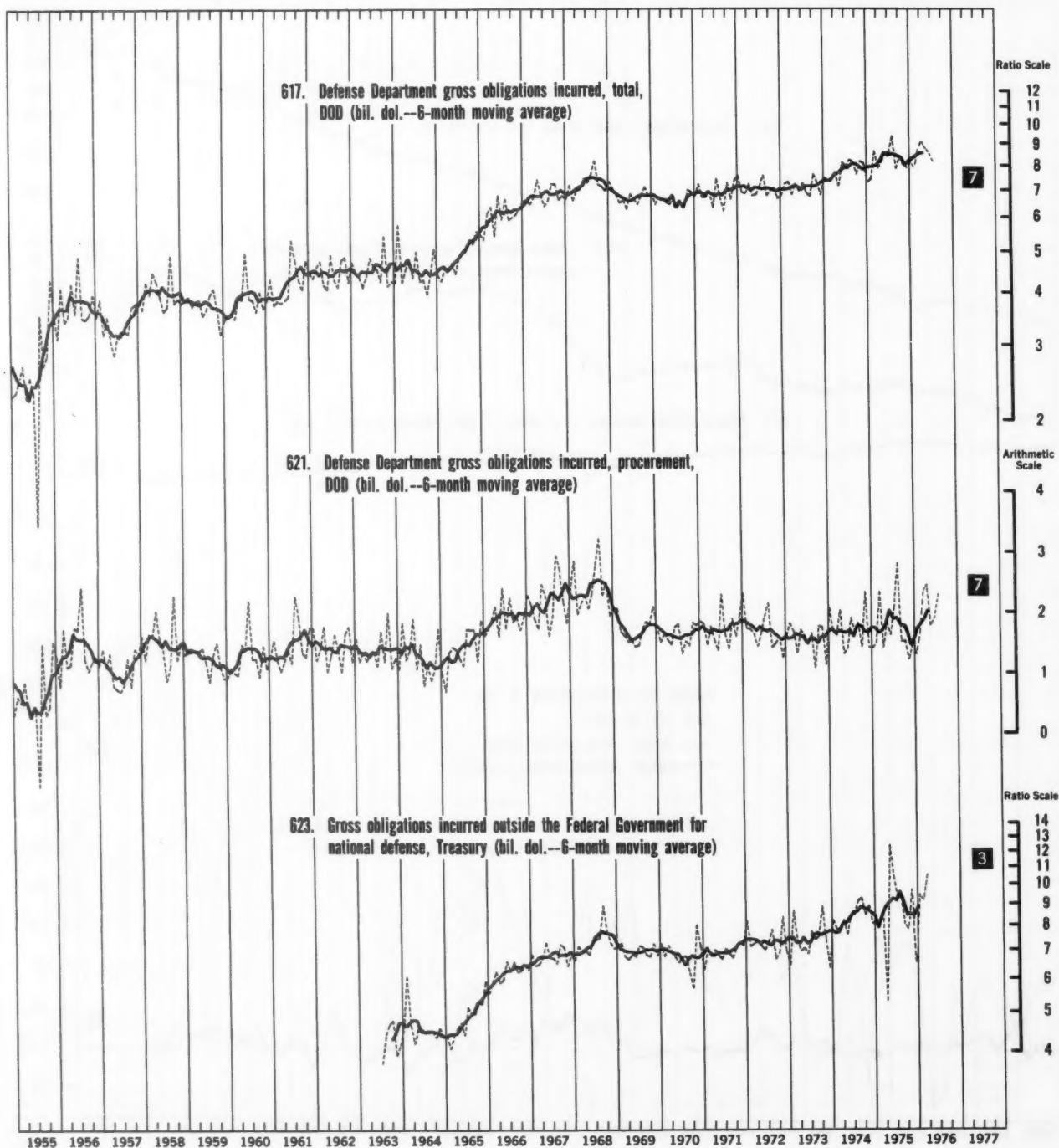
Current data for these series are shown on page 14.

defense indicators

CHART

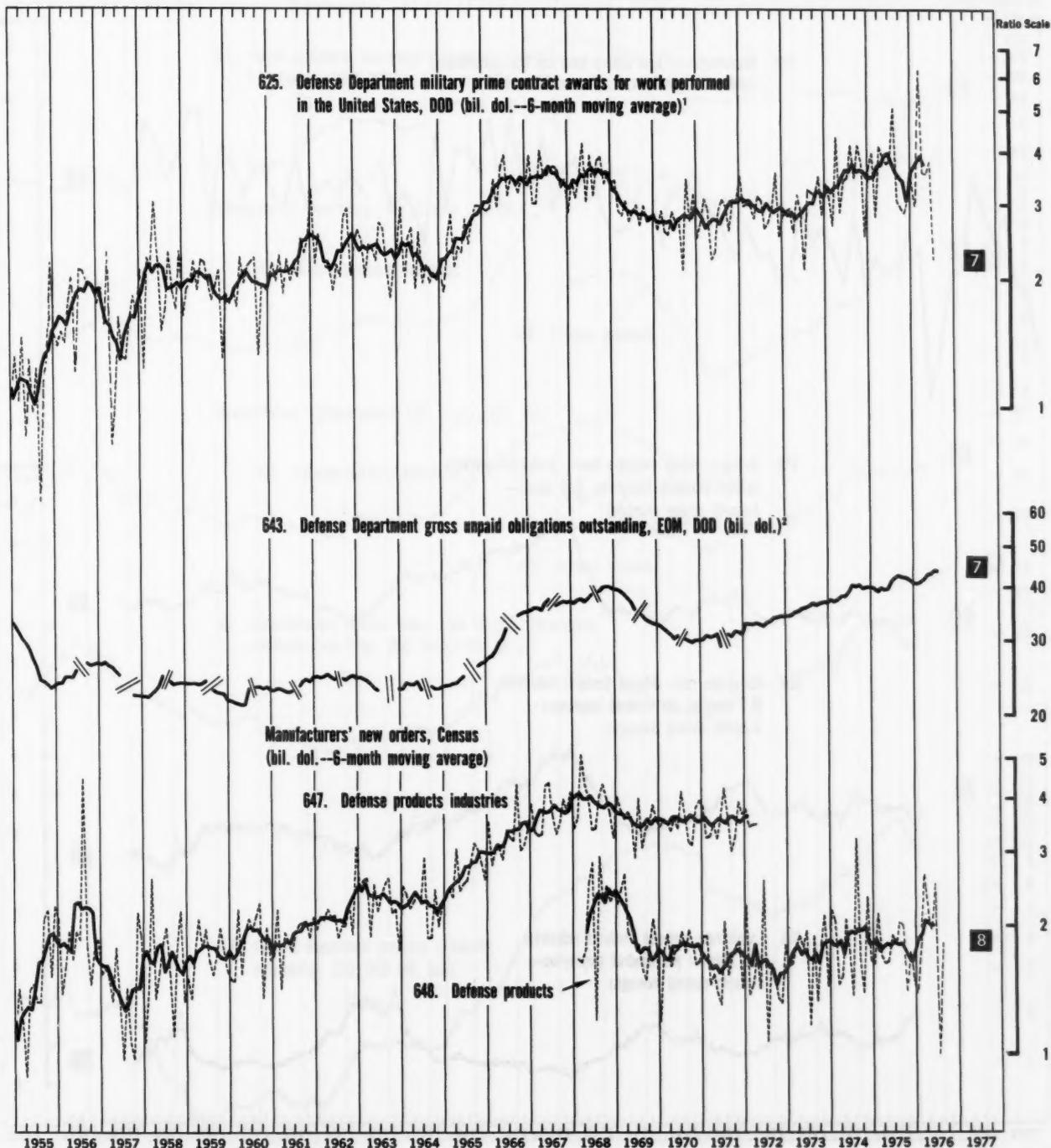
2

Advance Indicators of Defense Activity



Current data for these series are shown on pages 15 and 16.

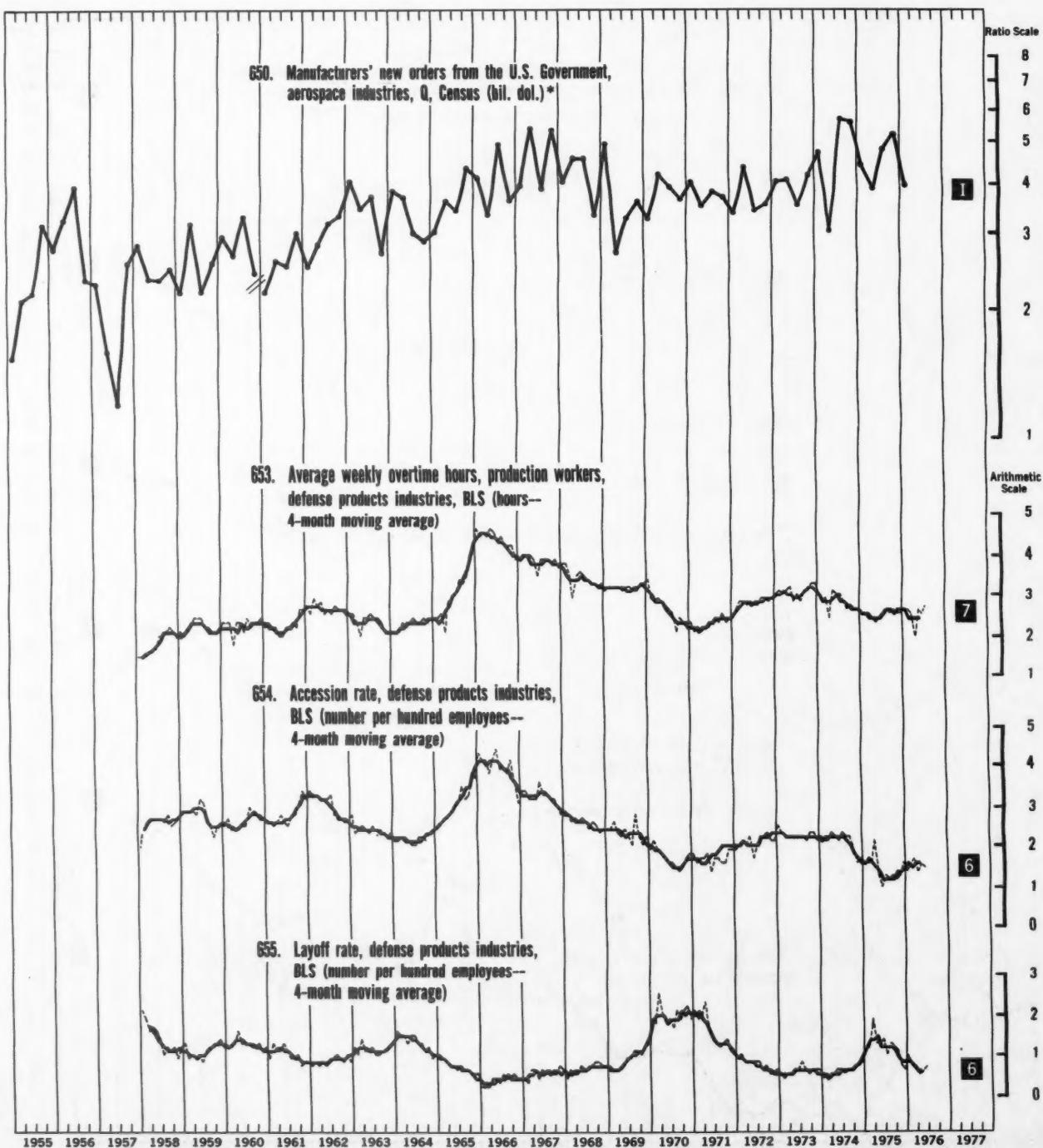
## Advance Indicators of Defense Activity--Continued

<sup>1</sup>Data prior to July 1955 exclude orders written to other Government agencies.<sup>2</sup>Data for the following months not available: July of 1956-71; August of 1956-57 and 1963-66; September of 1957, 1963, and 1966; and October and November of 1963. Current data for these series are shown on pages 16 and 20.

defense indicators

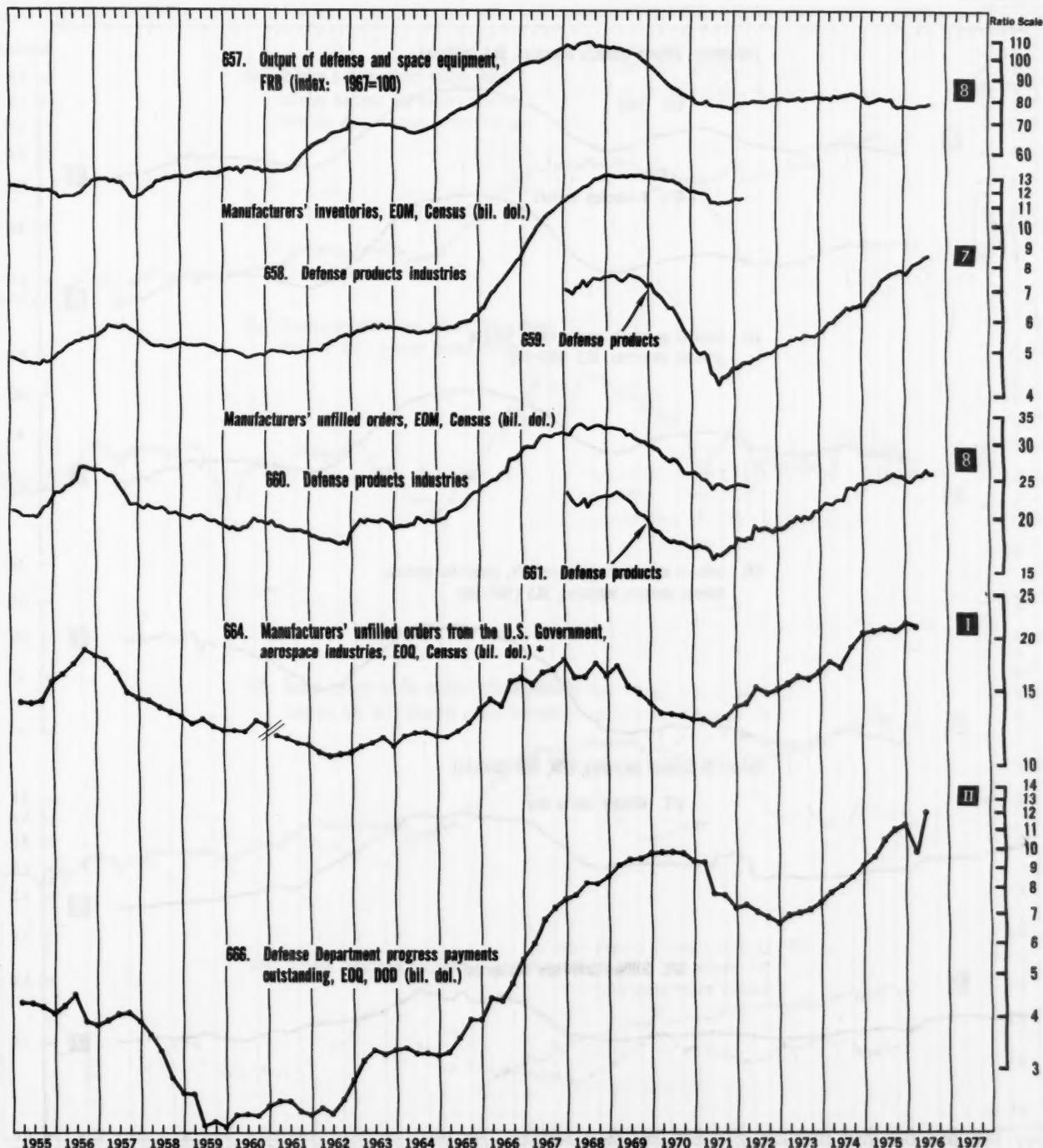
CHART  
2

Advance Indicators of Defense Activity-Continued



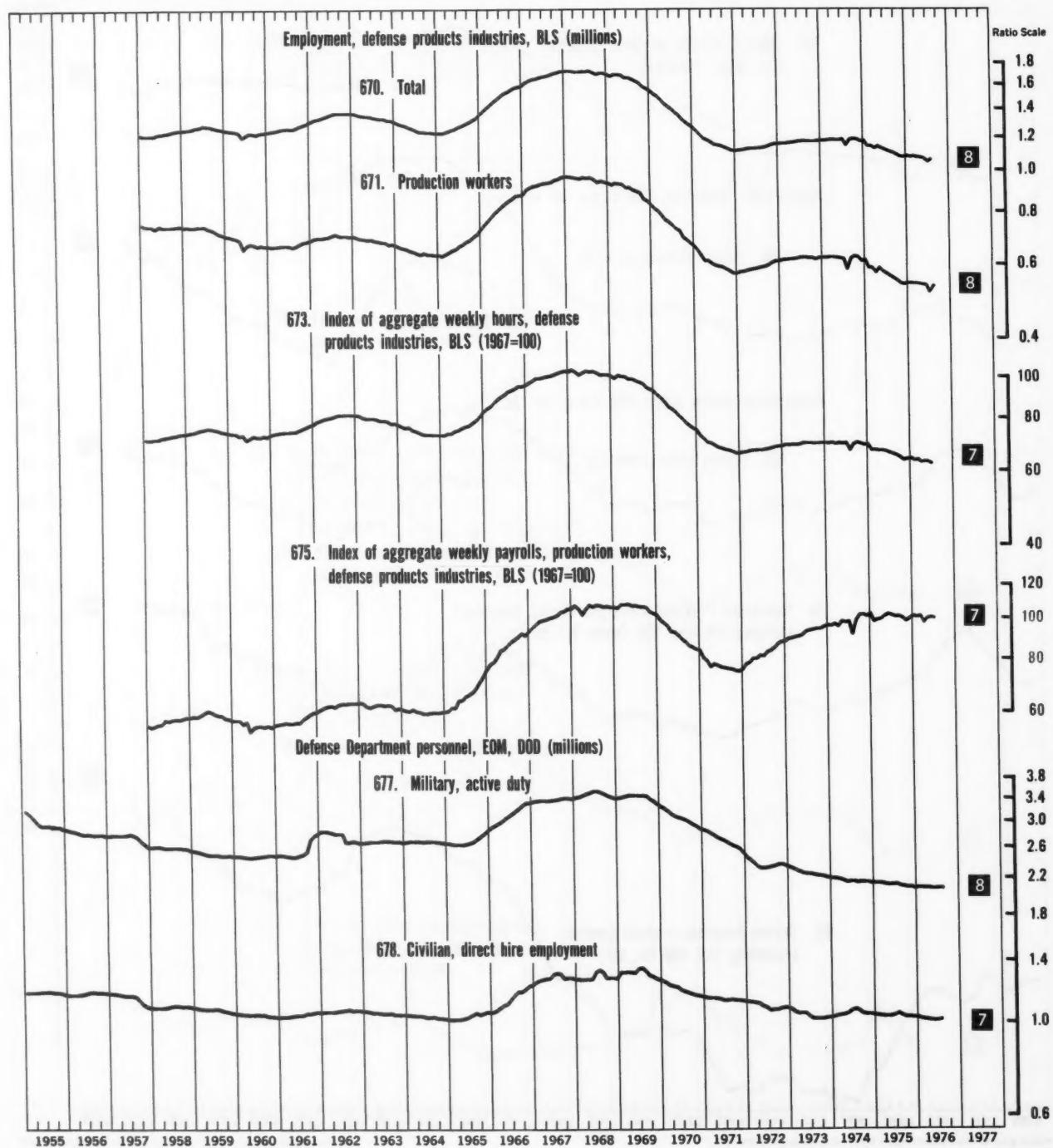
\*Data prior to 1961 include orders from non-Government customers.  
Current data for these series are shown on pages 20 and 21.

## Intermediate and Final Indicators of Defense Activity



\*Data prior to 1961 include orders from non-Government customers.  
Current data for these series are shown on page 22.

CHART

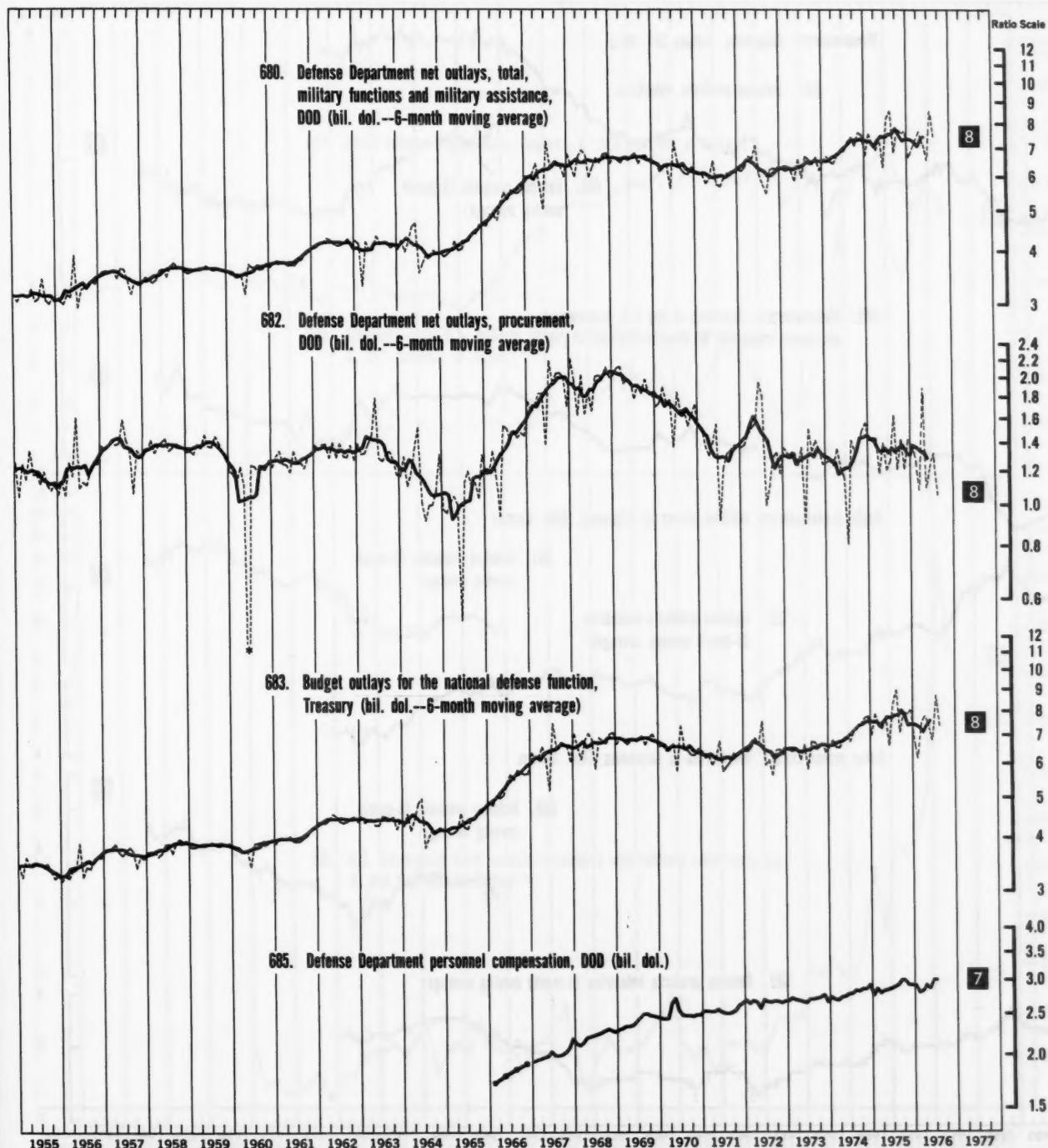
**3****Intermediate and Final Indicators of Defense Activity--Continued**

Current data for these series are shown on pages 22, 23, and 24.

CHART

**3**

## Intermediate and Final Indicators of Defense Activity--Continued



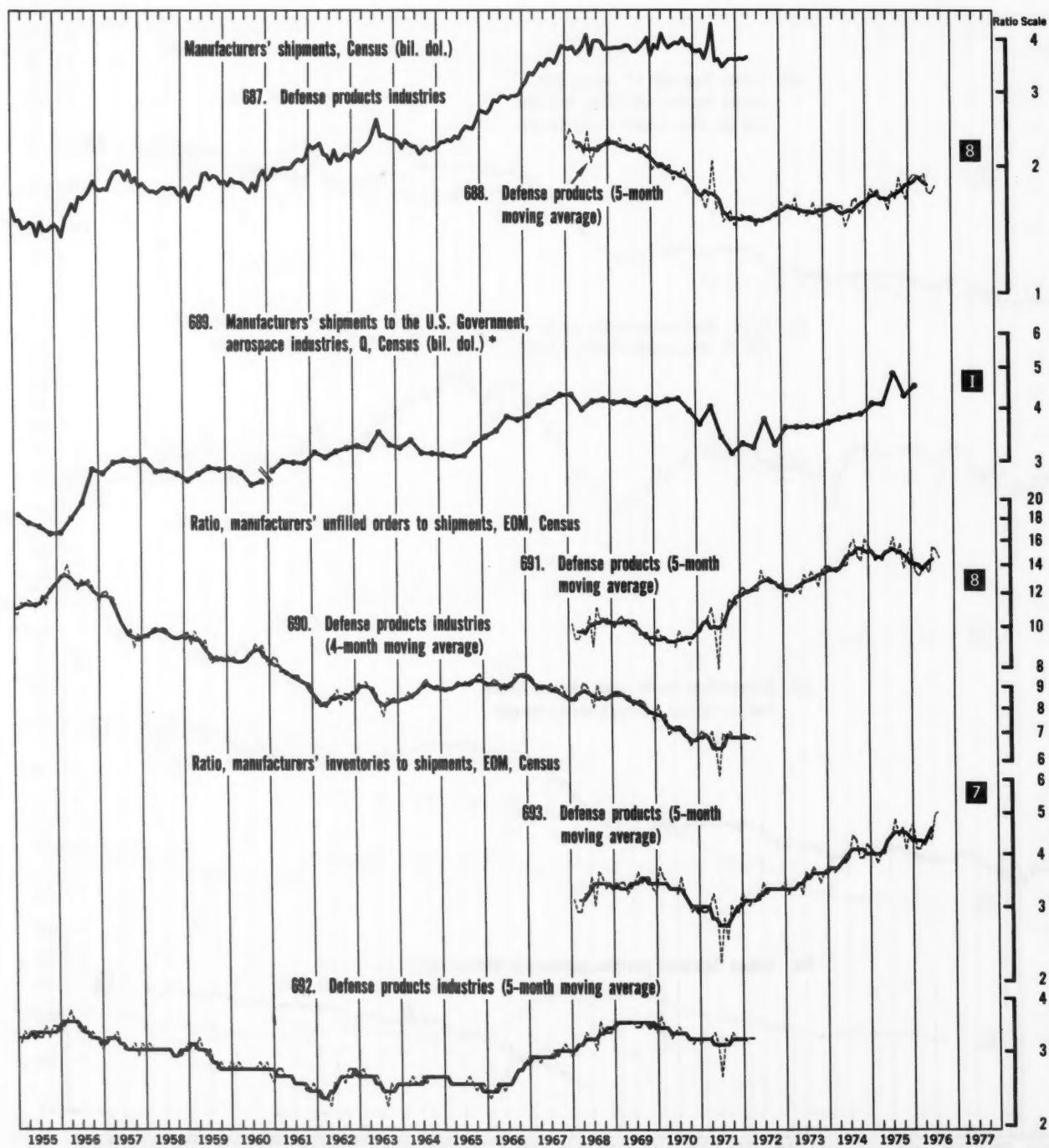
\*Net expenditures for procurement, June 1960--\$245 million.

Current data for these series are shown on pages 24 and 25.

defense indicators

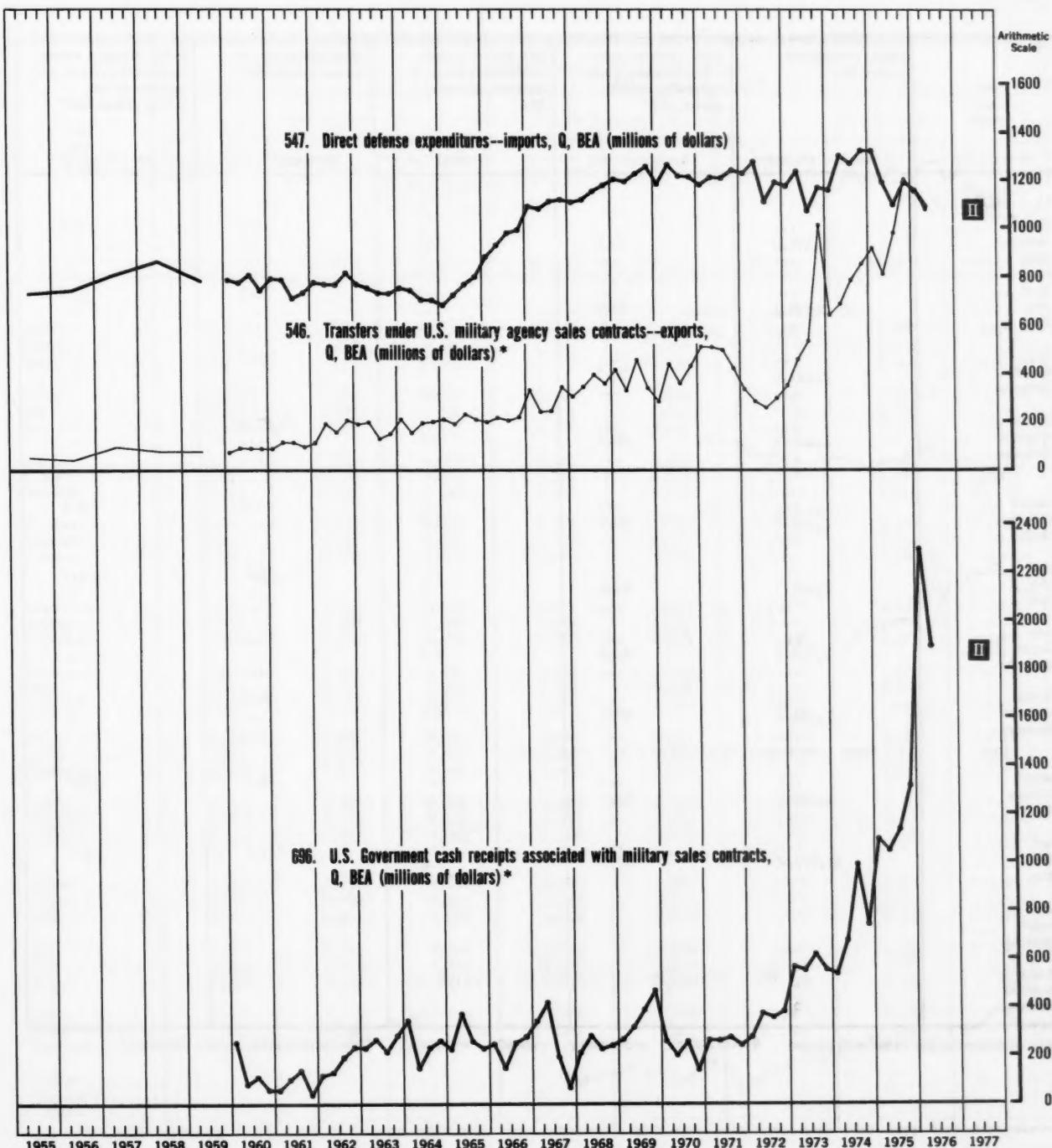
CHART  
3

Intermediate and Final Indicators of Defense Activity--Continued



\*Data prior to 1961 include shipments to non-Government customers.  
Current data for these series are shown on page 26.

## Defense-Related Balance of Payments Components



\*See footnotes 1 and 2 on page 27.  
Current data for these series are shown on page 27.

defense indicators

TABLE

1

Gross National Product and National Defense Purchases

Year and month	200(a). Gross national product, BEA*	264(a). Federal Govern- ment purchases of goods and services, national defense, BEA*	613. National defense purchases as a percent of gross national product, BEA*	200(b). Change in gross national product, BEA*	264(b). Change in Federal Government purchases of goods and services, national defense, BEA*
	(Ann. rate, bil. dol.)	(Ann. rate, bil. dol.)	(Percent)	(Ann. rate, bil. dol.)	(Ann. rate, bil. dol.)
1974					
January .....	...	...	...	17.6	0.5
February .....	1,372.7	74.9	5.5	...	...
March .....	...	...	...	...	...
April .....	...	...	...	26.7	1.0
May .....	1,399.4	75.9	5.4	...	...
June .....	...	...	...	...	...
July .....	...	...	...	32.2	2.3
August .....	1,431.6	78.2	5.5	...	...
September .....	...	...	...	...	...
October .....	...	...	...	17.6	2.0
November .....	1,449.2	80.2	5.5	...	...
December .....	...	...	...	...	...
1975					
January .....	...	...	...	-3.0	1.8
February .....	1,446.2	82.0	5.7	...	...
March .....	...	...	...	...	...
April .....	...	...	...	36.1	1.4
May .....	1,482.3	83.4	5.6	...	...
June .....	...	...	...	...	...
July .....	...	...	...	66.4	1.2
August .....	1,548.7	84.6	5.5	...	...
September .....	...	...	...	...	...
October .....	...	...	...	39.5	2.5
November .....	1,588.2	87.1	5.5	...	...
December .....	...	...	...	...	...
1976					
January .....	...	...	...	48.0	-0.9
February .....	1,636.2	86.2	5.3	...	...
March .....	...	...	...	...	...
April .....	...	...	...	r39.0	0.7
May .....	r1,675.2	86.9	5.2		
June .....					
July .....					
August .....					
September .....					
October .....					
November .....					
December .....					

Note: All data on this page are seasonally adjusted.

NA=not available; p=preliminary; r=revised; e=estimated. \*Indicates series shown in charts. (See page 5.)

## defense indicators

TABLE

2

## Advance Indicators of Defense Activity

Year and month	Defense Department gross obligations incurred, DOD							
	617. Total			619. Operations		621. Procurement		
	Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data— 6-month*	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data— 6-month*
	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)
1974								
January .....	8,113	7,527	7,374	4,991	4,714	2,337	2,077	1,689
February .....	6,826	7,398	7,390	4,187	4,758	1,677	1,708	1,731
March .....	6,613	7,485	7,368	4,377	4,699	1,381	1,642	1,658
April .....	7,375	7,762	7,588	4,982	4,804	1,546	2,040	1,702
May .....	6,104	7,187	7,664	4,434	4,662	894	1,330	1,675
June .....	10,110	8,166	7,810	6,170	5,466	2,465	1,412	1,672
July .....	9,285	7,983	7,926	5,901	5,110	1,332	1,919	1,706
August .....	8,874	8,279	7,912	5,224	5,203	1,416	1,692	1,607
September .....	7,790	8,179	8,083	4,771	5,040	1,919	1,842	1,777
October .....	7,965	7,681	8,075	5,394	4,999	1,709	1,446	1,780
November .....	7,600	8,211	7,968	4,471	4,786	2,281	2,349	1,697
December .....	7,260	8,116	7,832	4,826	5,334	1,646	1,431	1,667
1975								
January .....	8,252	7,341	7,916	5,471	5,148	1,895	1,424	1,751
February .....	6,904	7,467	7,958	4,604	5,220	1,569	1,509	1,748
March .....	7,526	8,677	7,956	4,787	5,251	1,994	2,349	1,665
April .....	7,403	7,933	8,033	5,424	5,209	1,147	1,425	1,700
May .....	6,796	8,199	8,246	4,761	5,121	1,147	1,850	1,808
June .....	11,027	8,583	8,569	6,275	5,560	2,693	1,642	2,027
July .....	9,903	8,614	8,440	6,641	5,624	1,510	2,074	1,891
August .....	9,812	9,406	8,516	5,337	5,327	2,508	2,821	1,911
September .....	7,705	7,907	8,494	5,203	5,442	1,506	1,535	1,808
October .....	9,045	8,387	8,385	6,130	5,660	1,733	1,543	1,784
November .....	6,976	8,069	8,304	4,829	5,334	1,320	1,234	1,658
December .....	7,156	7,925	8,064	4,895	5,373	1,428	1,494	1,456
1976								
January .....	8,652	8,132	8,220	6,010	5,729	1,697	1,321	1,592
February .....	7,206	7,962	8,344	4,745	5,203	1,664	1,611	1,745
March .....	8,241	8,842	8,461	4,995	5,354	2,093	2,349	1,836
April .....	8,677	9,134	8,556	5,946	5,784	1,688	2,461	1,909
May .....	6,825	8,772	8,553	4,828	5,419	1,155	1,780	2,069
June .....	11,319	8,491	(NA)	5,949	5,059	3,218	1,930	(NA)
July .....	9,593	8,116		6,362	5,369	1,812	2,285	
August .....	(NA)	(NA)		(NA)	(NA)	(NA)	(NA)	
September .....								
October .....								
November .....								
December .....								

NA=not available; p=preliminary; r=revised; e=estimated. \*Indicates series shown in charts. (See page 6.)

**defense indicators**

TABLE  
**2**

**Advance Indicators of Defense Activity--Continued**

Year and month	623. Gross obligations incurred outside the Federal Government for national defense, Treasury		Defense Department military prime contract awards for work performed in the United States, DOD						
			625. Total			626. Aircraft		627. Missile and space systems	
	Seasonally adjusted*	Moving average of seasonally adjusted data— 6-month*	Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data— 6-month*	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted
	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)
1974									
January .....	8,264	7,784	3,084	3,378	3,123	1,093	...	206	...
February .....	7,874	7,673	2,613	3,141	3,317	598	2,424	305	844
March .....	7,819	7,712	2,602	2,677	3,212	517	...	255	...
April .....	8,270	p8,068	3,127	4,343	3,310	459	...	303	...
May .....	7,647	p8,112	2,250	2,881	3,329	308	1,104	297	1,271
June .....	p8,534	p8,333	6,086	3,440	3,498	502	...	323	...
July .....	8,526	p8,584	3,924	3,494	3,636	1,089	...	618	...
August .....	9,202	p8,623	4,091	4,153	3,605	591	2,446	430	1,448
September .....	9,326	p8,842	3,586	3,502	3,754	866	...	848	...
October .....	8,503	8,776	4,165	4,161	3,603	1,156	...	410	...
November .....	8,963	8,700	3,207	3,777	3,636	856	2,900	434	1,107
December .....	8,139	8,545	2,616	2,532	3,609	569	...	361	...
1975									
January .....	8,069	8,422	3,567	3,693	3,494	1,062	...	346	...
February .....	8,271	7,894	3,321	3,987	3,488	509	2,147	276	980
March .....	8,590	8,472	2,625	2,817	3,513	421	...	244	...
April .....	5,335	p8,863	2,914	4,122	3,720	316	...	377	...
May .....	12,426	p9,084	2,713	3,926	3,744	386	1,240	242	1,654
June .....	p10,487	p9,259	6,626	3,773	3,925	732	...	537	...
July .....	9,397	p9,176	4,376	3,842	3,969	810	...	661	...
August .....	9,321	p9,592	5,295	5,072	3,776	1,254	2,471	1,070	1,586
September .....	8,092	p9,137	3,179	3,080	3,600	469	...	379	...
October .....	7,830	8,479	3,174	2,961	3,493	817	...	463	...
November .....	9,697	8,492	2,608	2,872	3,420	373	1,807	498	1,327
December .....	6,537	8,467	2,870	3,130	3,074	483	...	426	...
1976									
January .....	9,476	8,870	3,288	3,407	3,612	546	...	341	...
February .....	9,168	(NA)	2,529	2,993	3,716	356	3,008	278	1,027
March .....	10,511		5,356	6,309	3,832	2,064	...	243	...
April .....	(NA)		2,600	3,586	3,946	326	...	290	...
May .....			2,563	3,565	3,751	576	2,299	213	1,503
June .....			6,843	3,817	(NA)	1,562		602	
July .....			2,592	2,234	(NA)	416		287	(NA)
August .....									
September .....									
October .....									
November .....									
December .....									

NA=not available; p=preliminary; r=revised; e=estimated.

\*Indicates series shown in charts. (See pages 6 and 7.)

## Advance Indicators of Defense Activity--Continued

Year and month	Defense Department military prime contract awards for work performed in the United States, DOD—Continued						
	628. Ships, not seasonally adjusted	629. Weapons and ammunition		630. Electronic and communications equipment		631. Combat vehicles	
		Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted
	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)
1974							
January .....	52	135	...	311	...	102	...
February .....	212	244	541	415	1,013	5	253
March .....	103	142	...	206	...	40	...
April .....	190	170	...	403	...	129	...
May .....	155	123	680	270	1,110	98	502
June .....	1,175	554	...	732	...	404	...
July .....	230	37	...	321	...	59	...
August .....	625	72	453	402	1,316	104	249
September .....	134	111	...	352	...	151	...
October .....	210	122	...	598	...	25	...
November .....	328	114	334	349	1,239	22	126
December .....	109	165	...	254	...	81	...
1975							
January .....	325	125	...	414	...	21	...
February .....	251	160	515	331	1,379	66	288
March .....	11	217	...	535	...	52	...
April .....	621	147	...	313	...	23	...
May .....	94	128	683	587	1,255	86	191
June .....	858	672	...	696	...	161	...
July .....	250	52	...	394	...	126	...
August .....	814	126	630	470	1,559	70	259
September .....	439	95	...	430	...	90	...
October .....	80	128	...	439	...	67	...
November .....	114	66	303	445	1,277	14	172
December .....	211	146	...	332	...	62	...
1976							
January .....	310	76	...	263	...	48	...
February .....	124	101	341	305	1,079	26	238
March .....	1,213	148	...	442	...	61	...
April .....	306	158	...	348	...	32	...
May .....	65	135	493	381	1,172	63	415
June .....	346	450	...	735	...	512	...
July .....	506	52	...	207	...	4	...
August .....	(NA)	(NA)	...	(NA)	...	(NA)	...
September .....							
October .....							
November .....							
December .....							

NA=not available; p=preliminary; r=revised; e=estimated.

## defense indicators

TABLE

**2**

### Advance Indicators of Defense Activity--Continued

Year and month	Defense Department military prime contract awards for work performed in the United States, DOD--Continued							
	632. Other hard goods		633. Soft goods		634. Construction		635. Services	
	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted
	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)
1974								
January .....	128	...	297	...	90	...	204	...
February .....	111	467	145	1,374	52	258	138	900
March .....	179	...	487	...	92	...	181	...
April .....	294	...	344	...	248	...	166	...
May .....	139	564	214	1,081	58	504	168	846
June .....	352	...	256	...	604	...	524	...
July .....	163	...	338	...	131	...	451	...
August .....	158	677	819	890	148	601	303	762
September .....	129	...	219	...	112	...	233	...
October .....	108	...	267	...	138	...	446	...
November .....	127	391	226	692	126	578	185	742
December .....	135	...	222	...	104	...	181	...
1975								
January .....	154	...	217	...	168	...	307	...
February .....	143	497	704	1,489	134	481	341	1,396
March .....	152	...	191	...	127	...	201	...
April .....	147	...	164	...	156	...	190	...
May .....	165	487	121	658	291	838	211	925
June .....	399	...	213	...	1,073	...	574	...
July .....	104	...	811	...	82	...	634	...
August .....	115	532	307	937	61	486	570	1,136
September .....	150	...	256	...	178	...	204	...
October .....	201	...	173	...	149	...	216	...
November .....	156	631	214	687	56	605	210	523
December .....	179	...	244	...	176	...	121	...
1976								
January .....	190	...	817	...	85	...	244	...
February .....	180	590	330	1,611	107	448	256	1,111
March .....	166	...	187	...	151	...	230	...
April .....	173	...	221	...	198	...	179	...
May .....	159	434	120	780	213	611	158	881
June .....	316		243		791		587	
July .....	92	(NA)	287	(NA)	79	(NA)	535	(NA)
August .....								
September .....								
October .....								
November .....								
December .....								

NA=not available; P=preliminary; R=revised; E=estimated.

## Advance Indicators of Defense Activity--Continued

Year and month	Defense Department military prime contract awards for work performed in the United States, DOD—Continued					640. Defense Department military prime contract awards for work outside the United States, DOD	
	636. Contracts under \$10,000		637. Educational and nonprofit institutions		638. Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), not seasonally adjusted		
	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	
	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)
1974							
January .....	327	...	76	...	63	160	...
February .....	333	996	55	233	0	114	594
March .....	329	...	58	...	13	198	...
April .....	384	...	37	...	0	80	...
May .....	382	1,066	38	186	0	94	559
June .....	570	...	70	...	20	333	...
July .....	225	...	162	...	100	421	...
August .....	321	1,116	118	243	0	448	632
September .....	380	...	51	...	0	120	...
October .....	399	...	46	...	240	190	...
November .....	374	1,204	59	187	7	93	559
December .....	343	...	92	...	0	111	...
1975							
January .....	372	...	51	...	5	114	...
February .....	345	1,144	61	205	0	93	388
March .....	419	...	53	...	2	96	...
April .....	418	...	42	...	0	73	...
May .....	367	1,141	35	201	0	86	813
June .....	635	...	76	...	0	558	...
July .....	263	...	184	...	5	244	...
August .....	345	1,218	92	253	1	149	317
September .....	409	...	80	...	0	124	...
October .....	374	...	67	...	0	252	...
November .....	412	1,273	50	192	0	164	941
December .....	408	...	82	...	0	255	...
1976							
January .....	327	...	39	...	2	286	...
February .....	416	1,156	48	163	2	95	681
March .....	405	...	44	...	2	139	...
April .....	300	...	68	...	1	147	...
May .....	430	1,100	50	254	0	93	609
June .....	625	...	73	...	1	306	...
July .....	253	(NA)	74	(NA)	0	208	(NA)
August .....							
September .....							
October .....							
November .....							
December .....							

NA=not available; p=preliminary; r=revised; e=estimated.

## defense indicators

TABLE

**2**

### Advance Indicators of Defense Activity--Continued

Year and month	Defense Department gross unpaid obligations outstanding, DOD						648. Manufacturers' new orders, defense products, Census	650. Manufac- turers' new orders from the U.S. Govern- ment, aerospace industries, Census, seasonally adjusted*		
	643. Total		644. Operations		645. Procurement					
	Not seasonally adjusted	Seasonally adjusted*	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted				
	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)		
1974										
January .....	38,249	37,280	7,425	6,959	23,791	23,143	2,183	1,852		
February .....	37,963	37,001	7,055	6,964	24,032	23,175	2,064	1,802		
March .....	37,249	37,436	6,779	7,189	23,847	23,634	1,462	1,794		
April .....	37,264	38,141	7,044	7,550	23,778	23,970	1,527	1,844		
May .....	35,601	38,076	6,476	7,301	23,123	23,987	2,079	1,710		
June .....	37,545	38,947	7,373	8,417	23,994	23,756	1,752	1,904		
July .....	e39,626	e40,435	e8,149	e8,392	e24,316	e24,914	1,377	1,940		
August .....	40,594	40,152	8,426	8,010	23,791	24,351	3,229	1,919		
September .....	41,055	40,488	8,311	7,991	24,283	24,703	1,678	1,965		
October .....	41,201	39,731	8,607	7,610	24,361	24,337	1,401	1,951		
November .....	40,949	40,068	7,906	7,334	25,147	25,022	2,351	1,994		
December .....	40,407	40,047	7,654	7,556	25,199	25,024	1,668	1,813		
1975										
January .....	40,819	39,823	7,997	7,495	25,484	24,838	1,635	1,817		
February .....	40,008	39,147	7,520	7,460	25,452	24,568	2,147	1,857		
March .....	39,473	39,791	7,169	7,651	25,688	25,259	1,702	1,742		
April .....	38,589	39,457	7,276	7,807	24,932	24,957	1,639	1,782		
May .....	37,120	39,658	6,746	7,666	24,321	25,099	1,659	1,812		
June .....	39,557	41,334	7,303	8,346	25,311	25,438	1,909	1,796		
July .....	e41,470	e42,144	e8,733	e8,939	e25,167	e25,370	1,818	1,844		
August .....	43,248	42,651	8,677	8,280	26,070	26,684	2,048	1,806		
September .....	43,084	42,281	8,677	8,287	26,002	26,479	1,991	1,821		
October .....	43,754	42,193	9,259	8,172	26,081	26,238	1,408	1,753		
November .....	42,767	41,724	8,804	8,144	25,810	25,707	1,750	1,681		
December .....	41,551	40,897	8,261	8,155	25,507	25,305	1,501	1,637		
1976										
January .....	42,110	40,804	8,947	8,489	25,503	24,905	1,390	1,744		
February .....	41,512	41,101	8,538	8,624	25,586	24,841	1,784	1,858		
March .....	41,046	41,926	7,966	8,584	25,783	25,277	2,633	1,892		
April .....	41,029	42,962	8,253	8,865	25,606	25,657	2,093	2,061		
May .....	39,742	43,245	7,795	8,960	25,125	25,929	1,950	r1,994		
June .....	42,152	44,092	8,037	8,980	26,508	26,482	2,517	p2,000		
July .....	43,366	43,804	8,939	8,842	26,537	27,162	r989	(NA)		
August .....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	p1,817			
September .....										
October .....										
November .....										
December .....										

NA=not available; p=preliminary; r=revised; e=estimated.

\*Indicates series shown in charts. (See pages 7 and 8.)

## Advance Indicators of Defense Activity--Continued

Year and month	653. Average weekly overtime hours, production workers, defense products industries, BLS			654. Accession rate, defense products industries, BLS			655. Layoff rate, defense products industries, BLS		
	Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data—4-month*	Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data—4-month*	Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data—4-month*
	(Hours)	(Hours)	(Hours)	(Per 100 employees)	(Per 100 employees)	(Per 100 employees)	(Per 100 employees)	(Per 100 employees)	(Per 100 employees)
<b>1974</b>									
January .....	2.9	3.0	3.1	2.1	2.2	2.2	0.6	0.4	0.5
February .....	2.7	2.8	3.0	1.8	2.1	2.1	0.6	0.5	0.5
March .....	2.8	2.9	2.8	1.9	2.1	2.2	0.6	0.4	0.4
April .....	2.1	2.4	2.8	2.1	2.3	2.2	0.6	0.5	0.5
May .....	2.8	3.1	2.8	2.2	2.2	2.2	0.5	0.6	0.5
June .....	3.0	3.0	2.9	2.8	2.1	2.2	0.5	0.6	0.5
July .....	2.7	3.0	3.0	2.6	2.3	2.2	0.4	0.5	0.6
August .....	2.8	2.8	2.8	2.6	2.2	2.2	0.5	0.6	0.6
September .....	2.9	2.6	2.8	2.6	2.2	2.1	0.5	0.6	0.6
October .....	2.8	2.7	2.7	2.1	1.9	2.0	0.7	0.7	0.6
November .....	2.9	2.6	2.6	1.3	1.6	1.8	0.8	0.7	0.7
December .....	3.0	2.6	2.6	0.9	1.7	1.7	0.8	0.8	0.8
<b>1975</b>									
January .....	2.4	2.5	2.6	1.4	1.6	1.6	1.2	1.1	1.0
February .....	2.4	2.5	2.5	1.3	1.6	1.6	1.3	1.2	1.2
March .....	2.3	2.5	2.5	1.3	1.6	1.7	2.1	1.9	1.4
April .....	2.1	2.4	2.4	1.9	2.1	1.6	1.4	1.3	1.4
May .....	2.0	2.3	2.4	1.3	1.3	1.5	1.3	1.3	1.5
June .....	2.5	2.4	2.4	1.7	1.0	1.4	1.3	1.4	1.2
July .....	2.2	2.5	2.4	1.6	1.3	1.2	0.8	1.0	1.2
August .....	2.6	2.6	2.5	1.6	1.2	1.2	1.2	1.3	1.2
September .....	2.8	2.5	2.6	1.7	1.3	1.2	1.0	1.2	1.2
October .....	2.7	2.6	2.6	1.4	1.2	1.2	1.0	1.1	1.1
November .....	2.7	2.5	2.5	1.0	1.3	1.4	0.8	0.7	0.9
December .....	2.9	2.5	2.6	0.8	1.6	1.4	0.6	0.6	0.8
<b>1976</b>									
January .....	2.5	2.6	2.6	1.3	1.4	1.5	1.1	1.0	0.8
February .....	2.5	2.6	2.6	1.3	1.6	1.6	0.8	0.7	0.8
March .....	2.4	2.5	2.4	1.5	1.7	1.5	0.8	0.7	0.7
April .....	1.7	2.0	2.4	1.2	1.4	1.6	0.6	0.5	0.6
May .....	2.3	2.6	2.4	1.6	1.6	1.6	0.6	0.6	0.6
June .....	2.5	2.5	p2.4	2.1	1.5	(NA)	0.6	0.7	(NA)
July .....	p2.4 (NA)	p2.7 (NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
August .....									
September .....									
October .....									
November .....									
December .....									

NA=not available; p=preliminary; r=revised; e=estimated.

\*Indicates series shown in charts. (See page 8.)

## defense indicators

TABLE

**3**

### Intermediate and Final Indicators of Defense Activity

Year and month	657. Output of defense and space equipment, FRB, seasonally adjusted*	659. Manufacturers' inventories, defense products, Census, seasonally adjusted*	661. Manufacturers' unfilled orders, defense products, Census, seasonally adjusted*	664. Manufacturers' unfilled orders from the U.S. Gov- ernment, aerospace industries, Census, seasonally adjusted*	666. Defense Department progress payments out- standing, DOD, not seasonally adjusted*	670. Employment in defense products industries, total, BLS	
	(Index: 1967=100)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Thous.)	(Thous.)
1974	Revised <sup>1</sup>						
January .....	81.9	5,679	21,372	...	...	1,181	1,177
February .....	81.6	5,837	21,827	...	...	1,176	1,176
March .....	81.8	5,966	21,678	17,378	7,781	1,175	1,180
April .....	81.1	5,978	21,622	...	...	1,174	1,181
May .....	82.7	6,119	22,107	...	...	1,170	1,179
June .....	82.1	6,201	22,261	16,847	8,104	1,175	1,179
July .....	82.6	6,303	22,208	...	...	1,176	1,184
August .....	83.0	6,431	23,941	...	...	1,140	1,147
September .....	83.2	6,377	23,979	19,002	8,531	1,185	1,181
October .....	83.7	6,463	23,715	...	...	1,196	1,188
November .....	83.2	6,477	24,530	...	...	1,196	1,183
December .....	82.4	6,543	24,612	20,662	9,166	1,184	1,171
1975							
January .....	82.1	6,503	24,603	...	...	1,178	1,175
February .....	79.9	6,714	24,998	...	...	1,141	1,141
March .....	79.7	6,867	24,986	20,907	9,609	1,137	1,142
April .....	80.2	6,978	24,883	...	...	1,121	1,128
May .....	80.9	7,110	24,875	...	...	1,131	1,140
June .....	81.6	7,367	25,118	21,230	10,464	1,123	1,127
July .....	81.0	7,455	25,368	...	...	1,110	1,117
August .....	80.6	7,575	25,685	...	...	1,100	1,108
September .....	81.2	7,687	26,011	20,906	11,008	1,104	1,100
October .....	78.5	7,730	25,552	...	...	1,097	1,090
November .....	77.3	7,824	25,566	...	...	1,089	1,077
December .....	77.7	7,806	25,403	21,776	11,257	1,088	1,075
1976							
January .....	78.0	7,642	24,942	...	...	1,084	1,081
February .....	77.6	7,845	24,827	...	...	1,075	1,076
March .....	77.4	8,082	25,574	p21,340	9,848	1,071	1,077
April .....	77.3	8,165	25,805	...	...	1,066	1,072
May .....	r78.2	8,272	25,831	...	...	1,061	1,070
June .....	r78.3	8,473	26,620	(NA)	12,041	1,060	1,064
July .....	r78.3	8,554	r25,896			1,042	1,049
August .....	p78.9	(NA)	p25,927			p1,055	p1,063
September .....							
October .....							
November .....							
December .....							

NA=not available; p=preliminary; r=revised; e=estimated. \*Indicates series shown in charts. (See pages 9 and 10.)

<sup>1</sup> See "New Features and Changes for This Issue," page 3.

## Intermediate and Final Indicators of Defense Activity--Continued

Year and month	671. Employment in defense products industries, production workers, BLS		673. Index of aggregate weekly hours, defense products industries, BLS		675. Index of aggregate weekly payrolls, production workers, defense products industries, BLS	
	Not seasonally adjusted	Seasonally adjusted*	Not seasonally adjusted	Seasonally adjusted*	Not seasonally adjusted	Seasonally adjusted*
	(Thous.)	(Thous.)	(1967=100)	(1967=100)	(1967=100)	(1967=100)
1974						
January .....	627	623	69.8	69.8	96.7	96.5
February .....	623	622	69.6	69.6	96.5	96.3
March .....	621	624	69.7	69.9	97.0	97.2
April .....	620	624	68.7	69.4	94.1	95.9
May .....	615	622	69.4	69.8	97.6	98.7
June .....	616	620	69.3	69.5	96.9	98.0
July .....	612	618	68.7	69.8	94.9	98.5
August .....	576	584	66.3	67.0	89.6	91.9
September .....	621	619	69.7	69.3	99.8	99.0
October .....	632	627	70.4	70.0	103.2	102.0
November .....	634	624	70.7	69.5	105.3	102.2
December .....	623	611	70.5	69.1	106.3	101.2
1975						
January .....	618	615	69.2	69.2	102.8	102.6
February .....	589	589	67.0	67.0	98.6	98.4
March .....	585	588	66.8	67.0	99.1	99.4
April .....	570	574	66.1	66.8	97.6	99.5
May .....	581	588	66.5	66.8	100.2	101.3
June .....	573	577	66.4	66.6	101.2	102.3
July .....	564	570	65.0	66.1	97.9	101.7
August .....	555	563	64.9	65.6	98.3	101.0
September .....	558	556	65.5	65.1	102.0	101.2
October .....	554	549	64.9	64.5	101.5	100.4
November .....	549	540	64.6	63.5	101.8	98.7
December .....	549	538	65.0	63.8	104.9	99.8
1976						
January .....	545	542	64.1	64.1	101.3	101.1
February .....	540	540	63.5	63.5	100.7	100.4
March .....	537	539	63.3	63.6	100.8	101.1
April .....	533	537	62.0	62.7	96.1	98.1
May .....	530	536	62.6	63.0	99.2	100.2
June .....	529	533	r62.6	r62.8	r99.4	r100.5
July .....	511	516	p61.2 (NA)	p62.2 (NA)	p96.3 (NA)	p100.0 (NA)
August .....	p523	p531				
September .....						
October .....						
November .....						
December .....						

NA=not available; p=preliminary; r=revised; e=estimated. \*Indicates series shown in charts. (See page 10.)

## defense indicators

TABLE  
**3**

### Intermediate and Final Indicators of Defense Activity--Continued

Year and month	Defense Department personnel, DOD		Defense Department net outlays, DOD				
	677. Military, active duty, not seasonally adjusted*	678. Civilian, direct hire employment, not seasonally adjusted*	680. Total, military functions and military assistance			681. Operations	
			Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data—6-month*	Not seasonally adjusted	Seasonally adjusted
	(Thous.)	(Thous.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)
1974							
January .....	2,199	1,034	6,728	6,538	6,524	4,376	4,333
February .....	2,195	1,039	6,384	6,717	6,527	4,137	4,313
March .....	2,187	1,042	6,702	6,536	6,537	4,398	4,364
April .....	2,174	1,046	6,685	6,458	6,648	4,367	4,221
May .....	2,156	1,053	7,204	6,745	6,712	4,718	4,536
June .....	2,162	1,070	7,872	6,894	6,801	4,835	4,296
July .....	2,162	1,074	5,979	6,921	6,956	4,628	4,917
August .....	2,153	1,064	6,897	7,254	7,068	4,804	4,957
September .....	2,157	1,049	6,948	7,463	7,218	4,575	4,828
October .....	2,156	1,046	7,271	7,130	7,328	4,817	4,853
November .....	2,154	1,046	7,473	7,648	7,302	4,912	5,042
December .....	2,140	1,043	7,451	7,549	7,358	4,742	4,843
1975							
January .....	2,145	1,038	7,051	6,766	7,312	4,775	4,605
February .....	2,146	1,036	7,258	7,590	7,284	4,727	4,907
March .....	2,137	1,034	7,244	7,190	7,258	4,736	4,778
April .....	2,127	1,034	7,190	6,958	7,056	4,960	4,744
May .....	2,124	1,035	7,780	7,494	7,308	4,909	4,963
June .....	2,128	1,042	7,476	6,336	7,475	4,954	4,395
July .....	2,129	1,052	7,124	8,278	7,423	4,918	5,154
August .....	2,111	1,038	7,961	8,594	7,552	5,081	5,242
September .....	2,105	1,030	6,631	6,880	7,566	4,810	5,082
October .....	2,097	1,031	7,913	7,732	7,788	5,260	5,213
November .....	2,099	1,029	7,203	7,574	7,515	4,997	5,131
December .....	2,084	1,028	7,695	7,672	7,251	5,078	5,068
1976							
January .....	2,092	1,023	6,649	6,636	7,326	4,887	4,892
February .....	2,093	1,019	6,962	7,011	7,322	4,848	4,825
March .....	2,090	1,016	7,642	7,334	7,259	5,026	4,966
April .....	2,087	1,011	7,872	7,703	7,068	5,297	5,193
May .....	2,081	1,010	7,042	7,200	r7,406	4,889	5,035
June .....	2,082	1,010	7,843	6,525	p7,484	5,170	4,687
July .....	2,087	1,014	r7,433	r8,663		r5,050	r5,260
August .....	p2,085	(NA)	p7,152	p7,481		p5,052	p5,093
September .....							
October .....							
November .....							
December .....							

NA=not available; p=preliminary; r=revised;

e=estimated.

\*Indicates series shown in charts. (See pages 10 and 11.)

## Intermediate and Final Indicators of Defense Activity--Continued

Year and month	Defense Department net outlays, DOD—Continued			683. Budget outlays for the national defense function, Treasury		685. Defense Department personnel compensation, DOD	
	682. Procurement			Seasonally adjusted*	Moving average of seasonally adjusted data—6-month*	Not seasonally adjusted	Seasonally adjusted*
	Not seasonally adjusted	Seasonally adjusted*	Moving average of seasonally adjusted data—6-month*				
(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)
1974							
January .....	1,270	1,262	1,300	6,569	6,613	2,879	2,738
February .....	1,195	1,276	1,289	6,835	6,617	2,651	2,702
March .....	1,313	1,241	1,268	6,579	6,640	2,700	2,687
April .....	1,382	1,355	1,254	6,567	6,733	2,750	2,739
May .....	1,292	1,227	1,179	6,874	6,768	2,817	2,745
June .....	1,346	1,165	1,204	6,973	6,831	2,710	2,782
July .....	801	810	1,221	6,783	6,962	2,835	2,793
August .....	1,348	1,425	1,224	7,212	7,112	2,814	2,837
September .....	1,251	1,343	1,270	7,362	7,254	2,741	2,823
October .....	1,455	1,377	1,338	7,467	7,393	2,869	2,864
November .....	1,372	1,501	1,440	7,727	7,436	2,827	2,864
December .....	1,439	1,569	1,444	7,809	7,550	2,874	2,924
1975							
January .....	1,427	1,428	1,460	7,039	7,554	2,913	2,762
February .....	1,351	1,444	1,429	7,896	7,526	2,808	2,862
March .....	1,500	1,440	1,414	7,385	7,536	2,812	2,799
April .....	1,220	1,194	1,354	7,297	7,342	2,867	2,836
May .....	1,467	1,406	1,328	7,788	7,564	2,870	2,850
June .....	1,409	1,215	1,360	6,649	7,747	2,823	2,869
July .....	1,225	1,268	1,322	8,367	7,706	2,941	2,895
August .....	1,559	1,634	1,361	8,996	7,818	2,873	2,923
September .....	1,191	1,217	1,330	7,140	7,836	2,936	2,999
October .....	1,500	1,425	1,365	7,971	8,079	3,008	2,999
November .....	1,081	1,220	1,384	7,896	7,830	2,866	2,927
December .....	1,319	1,427	1,328	8,103	7,352	2,916	2,925
1976							
January .....	1,363	1,384	1,305	6,874	7,411	3,018	2,916
February .....	1,227	1,293	1,382	6,126	7,380	2,820	2,792
March .....	1,195	1,082	1,361	7,497	7,286	2,887	2,833
April .....	1,792	1,884	1,330	7,784	7,068	2,845	2,933
May .....	1,092	1,095	1,321	7,334	7,376	2,851	2,874
June .....	1,418	1,244	p1,281	6,795	7,589	3,007	3,019
July .....	1,347	1,326		8,717		p3,012 (NA)	p3,006 (NA)
August .....	p1,063	p1,055		7,409			
September .....							
October .....							
November .....							
December .....							

NA=not available; p=preliminary; r=revised; e=estimated. \*Indicates series shown in charts. (See page 11.)

## defense indicators

TABLE  
**3**

### Intermediate and Final Indicators of Defense Activity--Continued

Year and month	688. Manufacturers' shipments, defense products, Census		689. Manufacturers' shipments to the U.S. Government, aerospace industries, Census, seasonally adjusted*	691. Ratio, manufacturers' unfilled orders to shipments, defense products, Census		693. Ratio, manufacturers' inventories to shipments, defense products, Census	
	Seasonally adjusted*	Moving average of seasonally adjusted data-5-month*		Seasonally adjusted*	Moving average of seasonally adjusted data-5-month*	Seasonally adjusted*	Moving average of seasonally adjusted data-5-month*
	(Mil. dol.)	(Mil. dol.)	(Mil. dol.)	(Ratio)	(Ratio)	(Ratio)	(Ratio)
1974							
January .....	1,552	1,564	...	13.8	13.6	3.7	3.7
February .....	1,610	1,573	3,696	13.6	13.6	3.6	3.7
March .....	1,612	1,591	...	13.4	13.7	3.7	3.7
April .....	1,586	1,600	...	13.6	13.7	3.8	3.8
May .....	1,594	1,564	3,780	13.9	14.1	3.8	3.9
June .....	1,596	1,541	...	13.9	14.6	3.9	4.0
July .....	1,431	1,551	...	15.5	14.8	4.4	4.1
August .....	1,497	1,565	3,834	16.0	14.9	4.3	4.1
September .....	1,638	1,553	...	14.6	15.3	3.9	4.1
October .....	1,663	1,584	...	14.3	15.3	3.9	4.1
November .....	1,536	1,613	3,888	16.0	15.1	4.2	4.0
December .....	1,585	1,636	...	15.5	15.0	4.1	4.0
1975							
January .....	1,644	1,646	...	15.0	15.1	4.0	4.0
February .....	1,753	1,688	4,105	14.3	14.7	3.8	4.0
March .....	1,714	1,704	...	14.6	14.6	4.0	4.0
April .....	1,742	1,709	...	14.3	14.6	4.0	4.1
May .....	1,668	1,671	4,104	14.9	15.0	4.3	4.3
June .....	1,666	1,675	...	15.1	15.1	4.4	4.4
July .....	1,567	1,660	...	16.2	15.3	4.8	4.5
August .....	1,732	1,699	4,847	14.8	15.1	4.4	4.5
September .....	1,665	1,713	...	15.6	15.0	4.6	4.5
October .....	1,866	1,732	...	13.7	14.8	4.1	4.5
November .....	1,736	1,756	4,283	14.7	14.6	4.5	4.4
December .....	1,661	1,803	...	15.3	14.1	4.7	4.3
1976							
January .....	1,852	1,807	...	13.5	14.0	4.1	4.3
February .....	1,899	1,832	p4,538	13.1	13.9	4.1	4.3
March .....	1,885	1,884	...	13.6	13.5	4.3	4.2
April .....	1,862	1,860	...	13.9	13.9	4.4	4.4
May .....	1,923	rl,823	(NA)	13.4	rl4.3	4.3	4.6
June .....	1,730	pl,803		15.4	pl4.5	4.9	(NA)
July .....	rl,714			rl5.1		5.0	
August .....	pl,785			pl4.5		(NA)	
September .....							
October .....							
November .....							
December .....							

NA=not available; p=preliminary; r=revised; e=estimated.

\*Indicates series shown in charts. (See page 12.)

## Defense-Related Balance of Payments Components

Year and month	546. Transfers under U.S. military agency sales contracts (exports), BEA <sup>1</sup>		547. Direct defense expenditures (imports), BEA, not seasonally adjusted*	696. U.S. Government cash receipts associated with military sales contracts, BEA <sup>2</sup>	
	Not seasonally adjusted	Seasonally adjusted*		Not seasonally adjusted	Seasonally adjusted*
	(Mil. dol.)	(Mil. dol.)		(Mil. dol.)	(Mil. dol.)
1974					
January .....	...	...	...	...	...
February .....	644	638	1,153	497	538
March .....	...	...	...	...	...
April .....	...	...	...	...	...
May .....	738	683	1,298	642	674
June .....	...	...	...	...	...
July .....	...	...	...	...	...
August .....	720	781	1,265	995	989
September .....	...	...	...	...	...
October .....	...	...	...	...	...
November .....	850	850	1,319	808	741
December .....	...	...	...	...	...
1975					
January .....	...	...	...	...	...
February .....	931	915	1,317	1,050	1,094
March .....	...	...	...	...	...
April .....	...	...	...	...	...
May .....	865	807	1,185	1,013	1,047
June .....	...	...	...	...	...
July .....	...	...	...	...	...
August .....	906	978	1,093	1,148	1,135
September .....	...	...	...	...	...
October .....	...	...	...	...	...
November .....	1,195	1,197	1,185	1,380	1,315
December .....	...	...	...	...	...
1976					
January .....	...	...	...	...	...
February .....	r1,162	r1,145	r1,150	2,250	2,294
March .....	...	...	...	...	...
April .....	...	...	...	...	...
May .....	p1,145	p1,074	p1,087	p1,858	p1,895
June .....	...	...	...	...	...
July .....	...	...	...	...	...
August .....	...	...	...	...	...
September .....	...	...	...	...	...
October .....	...	...	...	...	...
November .....	...	...	...	...	...
December .....	...	...	...	...	...

NA=not available; p=preliminary; r=revised; e=estimated. \*Indicates series shown in charts. (See page 13.)

<sup>1</sup> Includes deliveries for which Israel has been released from its contractual liability to pay. <sup>2</sup> Excludes funds made available to release Israel from its contractual liability to pay for defense articles and services purchased through military sales contracts. Quarterly expenditures for such purpose under Public Law 93-199 and subsequent legislation amounted to (in millions): 1974, IIQ, \$623; IIIQ, \$223; IVQ, \$91; 1975, IQ, \$187; IIQ, \$124; IIIQ, \$83; IVQ, \$242; 1976, IQ, \$107; IIQ, \$9.

## Appendix B. AVERAGE CHANGES AND RELATED MEASURES OF VARIABILITY

### Part 1. Monthly Series

Series title	Period covered	$\bar{O}$	$\bar{C}_I$	$\bar{T}$	$\bar{C}$	$\bar{T}/\bar{C}$	MCD	Average duration of run (ADR)	
								CI	MCD
Defense Department gross obligations incurred:									
617. Total.....	Jan. '57-Jan. '76 .....	18.28	6.98	6.89	0.72	9.53	6	1.53	2.30
619. Operations.....	July '59-Jan. '76 .....	8.98	2.77	2.66	.65	4.09	4	1.69	3.00
621. Procurement.....	Jan. '57-Jan. '76 .....	44.28	22.39	22.27	1.54	14.44	6	1.46	2.08
623. Gross obligations incurred outside the Federal Government for national defense .....	July '63-Sept. '75 .....	14.17	7.92	7.82	.73	10.72	6	1.52	2.61
625. Defense Department military prime contract awards for work performed in the United States, total.....	Jan. '57-Jan. '76 .....	32.78	15.55	15.41	1.35	11.42	6	1.42	2.05
Defense Department gross unpaid obligations outstanding:									
643. Total.....	Jan. '57-Jan. '76 .....	2.13	1.32	.95	.88	1.08	2	2.65	3.98
644. Operations.....	Jan. '67-Jan. '76 .....	5.59	2.68	2.37	1.13	2.10	3	1.96	5.05
645. Procurement.....	Jan. '67-Jan. '76 .....	2.19	1.52	1.07	.94	1.14	2	2.08	4.12
Manufacturers' new orders:									
647. Defense products industries.....	Jan. '57-Mar. '72 .....	(NA)	15.11	14.89	.97	15.32	6	1.58	2.33
648. Defense products.....	Feb. '68-Jan. '76 .....	(NA)	21.50	21.43	1.47	14.59	6	1.56	1.80
*653. Average weekly overtime hours, production workers, defense products industries (hours).....	Jan. '58-Jan. '76 .....	.22	.11	.11	.03	3.14	4	2.50	3.70
*654. Accession rate, defense products industries (per 100 employees).....	Jan. '58-Jan. '76 .....	.38	.16	.15	.05	3.12	4	2.16	4.18
*655. Layoff rate, defense products industries (per 100 employees).....	Jan. '58-Jan. '76 .....	.17	.14	.13	.04	3.14	4	1.93	4.18
657. Output of defense and space equipment.....	Jan. '57-Jan. '76 .....	(NA)	.96	.50	.75	.67	1	3.40	3.40
Manufacturers' inventories:									
658. Defense products industries.....	Jan. '57-Mar. '72 .....	(NA)	1.04	.52	.85	.62	1	2.80	2.80
659. Defense products.....	Jan. '68-Jan. '76 .....	(NA)	1.75	1.13	1.29	.88	1	3.10	3.10
Manufacturers' unfilled orders:									
660. Defense products industries.....	Jan. '57-Mar. '72 .....	(NA)	1.23	.90	.83	1.09	2	2.76	3.42
661. Defense products.....	Jan. '68-Jan. '76 .....	(NA)	1.51	1.18	.93	1.27	2	2.04	4.13
Employment in defense products industries:									
670. Total.....	Jan. '58-Jan. '76 .....	.76	.70	.29	.59	.50	1	4.91	4.91
671. Production workers.....	Jan. '58-Jan. '76 .....	1.08	.93	.51	.70	.73	1	3.72	3.72
673. Index of aggregate weekly hours, defense products industries.....	Jan. '58-Jan. '76 .....	.95	.76	.39	.60	.65	1	4.00	4.00
675. Index of aggregate weekly payrolls, production workers, defense products industries.....	Jan. '58-Jan. '76 .....	1.72	1.14	.75	.78	.96	1	2.92	2.92
Defense Department personnel:									
677. Military, active duty @.....	Jan. '57-Jan. '76 .....	.62	(NA)	.27	.55	.48	1	3.86	3.86
678. Civilian, direct hire employment @.....	Jan. '57-Jan. '76 .....	.55	(NA)	.34	.42	.81	1	4.30	4.30
Defense Department net outlays:									
680. Total, military functions and military assistance.....	Jan. '57-Jan. '76 .....	8.89	4.31	4.19	.77	5.42	6	1.70	3.10
681. Operations.....	July '59-Jan. '76 .....	7.07	3.62	3.41	.73	4.69	5	1.58	2.34
682. Procurement.....	Jan. '57-Jan. '76 .....	15.10	11.77	11.65	1.59	7.32	6	1.57	2.90
683. Budget outlays for the national defense function.....	Jan. '57-Jan. '76 .....	8.87	4.27	4.18	.73	5.73	6	1.58	2.97
685. Defense Department personnel compensation.....	Jan. '67-Jan. '76 .....	2.70	1.33	1.13	.49	2.32	4	2.57	4.38
Manufacturers' shipments:									
687. Defense products industries.....	Jan. '57-Mar. '72 .....	(NA)	2.67	2.49	.87	2.85	3	1.64	3.40
688. Defense products.....	Jan. '68-Jan. '76 .....	(NA)	4.40	4.34	.98	4.41	5	1.57	2.71
Ratio, manufacturers' unfilled orders to shipments:									
690. Defense products industries.....	Jan. '57-Mar. '72 .....	(NA)	2.95	2.71	.96	2.82	4	1.90	3.81
691. Defense products.....	Jan. '68-Jan. '76 .....	(NA)	4.93	4.81	1.01	4.77	5	1.69	2.85
Ratio, manufacturers' inventories to shipments:									
692. Defense products industries.....	Jan. '57-Mar. '72 .....	(NA)	2.84	2.90	.72	4.01	5	2.46	5.74
693. Defense products.....	Jan. '68-Jan. '76 .....	(NA)	5.29	5.18	1.13	4.57	5	1.96	3.07

NA = not available.

\*Measures for these series are based on actual changes rather than percent changes (see definition below). @ indicates measures are based on unadjusted data.

#### BRIEF DEFINITIONS OF MEASURES SHOWN IN PART 1

The measures in this appendix provide a historical perspective for interpreting current changes in each series. They are derived using the Census X-11 seasonal adjustment program. Brief definitions of the measures are given below; more complete definitions appear in *Electronic Computers and Business Indicators* by Julius Shiskin, issued as Occasional Paper 57 by the National Bureau of Economic Research, 1957 (reprinted from *Journal of Business*, October 1957).

" $\bar{O}$ " is the average month-to-month percent change, without regard to sign, in the original unadjusted series. (See final paragraph below for exceptions to these definitions.)

" $\bar{C}_I$ " is the same for the seasonally adjusted series.

" $\bar{C}$ " is the same for the short-term trend, which is a smooth, flexible moving average of the seasonally adjusted series.

" $\bar{T}$ " is the same for the irregular component, which is obtained by dividing the seasonally adjusted series by the short-term trend.

" $\bar{T}/\bar{C}$ " measures the relative smoothness (small values) or irregularity (large values) of the seasonally adjusted series. It is the ratio of the average monthly percent change (without regard to sign) in the irregular component to the average monthly percent change (without regard to sign) in the short-term trend.

"MCD" (months for cyclical dominance) estimates the number of months required for the short-term trend to dominate the irregular component. Average percent changes are computed for spans of from 1 to 12 months for both the irregular component and the short-term trend. MCD is the shortest span of months for which the average percent change (without regard to sign) in the short-term trend is greater than that in the irregular component. All MCD's greater than "5" are shown as "6".

## Appendix B. AVERAGE CHANGES AND RELATED MEASURES OF VARIABILITY—Continued

"Average Duration of Run" (ADR) is another measure of smoothness and is equal to the average number of consecutive monthly changes in the same direction in any series of observations. When there is no change between two observations, a change in the same direction as the preceding change is assumed. The ADR is shown for the seasonally adjusted series (CI) and the MCD curve, which is a moving average (with the number of terms equal to MCD) of the seasonally adjusted series. A comparison of these measures with the expected ADR of a random series indicates whether the changes approximate those of a random series. In a random series, the expected ADR is 1.5 and the actual values fall between 1.36 and 1.75 about 95 percent of the time. For a moving average of a random series, the expected ADR is 2.

Measures for series identified with an asterisk (\*) are computed by an additive method. This method is used for series with zero or negative data, series which could approach zero, and series expressed in percent. In this method, the measures are defined the same as above except for two differences: (1) the measures are based on actual month-to-month changes (rather than percent changes) and (2) the irregular component is obtained by subtracting the short-term trend from the seasonally adjusted series. The average changes shown above for the components of such a series are in the same unit of measure as the series itself. The unit is indicated in the series title.

### Part 2. Quarterly Series

Series title	Period covered	$\bar{O}$	CI	$\bar{T}$	$\bar{C}$	$\bar{T}/\bar{C}$	QCD	Average duration of run (ADR)	
								CI	QCD
200. Gross national product .....	IQ '57-IVQ '75 .....	(NA)	1.84	0.35	1.76	0.20	1	8.33	8.33
264. Federal Government purchases of goods and services, national defense .....	IQ '57-IVQ '75 .....	(NA)	1.95	.79	1.70	.46	1	3.26	3.26
*546. Transfers under U.S. military agency sales contracts—exports (mil. dol.) .....	IQ '60-IVQ '75 .....	79.21	65.13	48.28	34.19	1.41	2	1.70	2.30
*547. Direct defense expenditures—imports (mil. dol.) @.....	IQ '60-IVQ '75 .....	42.32	(NA)	36.13	24.65	1.47	2	1.66	2.82
*613. National defense purchases as a percent of GNP (percent) .....	IQ '57-IVQ '75 .....	(NA)	.16	.07	.15	.46	1	5.36	5.36
650. Manufacturers' new orders from the U.S. Government, aerospace industries .....	IQ '61-IVQ '75 .....	24.44	17.96	14.82	5.85	2.53	3	1.44	1.73
664. Manufacturers' unfilled orders from the U.S. Government, aerospace industries.....	IQ '61-IVQ '75 .....	4.55	3.91	2.44	2.68	.91	1	2.27	2.27
666. Defense Department progress payments outstanding @.....	IQ '57-IVQ '75 .....	4.80	(NA)	2.06	4.35	.47	1	2.78	2.78
689. Manufacturers' shipments to the U.S. Government, aerospace industries .....	IQ '61-IVQ '75 .....	7.04	4.27	3.43	2.11	1.62	2	1.84	2.76
*696. U.S. Government cash receipts associated with military sales contracts (million dollars). . . . .	IQ '60-IVQ '75 .....	107.60	83.62	61.48	45.74	1.34	2	1.57	2.82

NA = not available.

\*Measures for these series are based on actual changes rather than percent changes (see definition below). @ indicates measures are based on unadjusted data.

#### BRIEF DEFINITIONS OF MEASURES SHOWN IN PART 2

These measures are defined the same as those in part 1 except that they are based on quarter-to-quarter percent changes. For example, CI is the average quarter-to-quarter percent change (without regard to sign) in the seasonally adjusted series.

In deriving "QCD" (quarters for cyclical dominance), average percent changes are computed for spans of from one to four quarters for the irregular component and the short-term trend. OCD is the shortest span of quarters for

which the average percent change (without regard to sign) in the short-term trend is greater than that in the irregular component. All QCD's greater than "3" are shown as "4". The "Average Duration of Run" (ADR) measures are also expressed in quarters.

As in part 1, measures for series identified with an asterisk (\*) are computed by an additive method. This method is the same as that used for the monthly series except for the use of quarterly data rather than monthly.

## Appendix C. HISTORICAL DATA

This appendix provides historical data (back to 1945 if available) for selected Defense Indicators series. Data are shown for series which (a) have recently been added to the report, (b) have recently been revised, or (c) have not been shown here for a long time. By keeping these tables, the user can acquire a complete set of historical data. Each time a series is included in this appendix, it is footnoted to indicate the extent of any revisions since it was last shown. See the "Alphabetical Index—Series Finding Guide" for the latest issue in which historical data

were published for each series. Current figures are shown in the basic data tables each month and may be used to update these historical tables.

Official source agency annual figures are shown if available. Such figures may differ slightly from those computed from the monthly or quarterly data appearing in the tables. When both seasonally adjusted and unadjusted data are shown for a series, annual figures are included only for the unadjusted data. Quarterly and annual data are not included for moving averages.

Year	Monthly												Quarterly				Annual
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	I Q	II Q	III Q	IV Q	

677. DEFENSE DEPARTMENT PERSONNEL, MILITARY, ACTIVE DUTY, NOT SEASONALLY ADJUSTED  
(THOUSANDS)

													END OF PERIOD				
	1948...	1949...	1950...	1951...	1952...	1953...	1954...	1955...	1956...	1957...	1958...	1959...	1960...	1961...	1962...	1963...	1964...
1,400	1,404	1,399	1,403	1,421	1,446	1,496	1,531	1,568	1,592	1,610	1,626	1,399	1,446	1,568	1,626	1,626	1,626
1,668	1,662	1,647	1,630	1,619	1,615	1,617	1,608	1,593	1,584	1,579	1,551	1,647	1,615	1,593	1,551	1,551	1,551
1,511	1,488	1,474	1,459	1,460	1,498	1,628	1,892	2,117	2,261	2,357	2,476	1,660	1,889	2,357	2,357	2,357	2,357
2,620	2,794	2,962	3,075	3,170	3,249	3,313	3,346	3,376	3,418	3,462	3,465	2,962	3,249	3,376	3,465	3,465	3,465
3,562	3,643	3,675	3,685	3,660	3,636	3,637	3,619	3,583	3,559	3,534	3,507	3,675	3,636	3,583	3,507	3,507	3,507
3,513	3,510	3,518	3,524	3,543	3,555	3,558	3,509	3,482	3,458	3,403	3,518	3,555	3,509	3,403	3,403	3,403	3,403
3,381	3,359	3,342	3,326	3,312	3,302	3,289	3,280	3,257	3,233	3,181	3,342	3,302	3,280	3,181	3,181	3,181	3,181
3,205	3,160	3,105	3,036	2,969	2,935	2,940	2,945	2,931	2,923	2,916	2,887	3,105	2,935	2,931	2,887	2,887	2,887
2,879	2,864	2,850	2,836	2,813	2,806	2,810	2,798	2,795	2,801	2,798	2,781	2,850	2,806	2,795	2,781	2,781	2,781
2,787	2,788	2,792	2,790	2,786	2,804	2,789	2,758	2,699	2,659	2,617	2,792	2,796	2,758	2,617	2,617	2,617	2,617
2,681	2,688	2,682	2,676	2,660	2,661	2,604	2,605	2,598	2,597	2,590	2,566	2,623	2,601	2,598	2,566	2,566	2,566
2,681	2,559	2,538	2,518	2,512	2,496	2,478	2,472	2,465	2,476	2,465	2,447	2,501	2,500	2,494	2,487	2,487	2,487
2,491	2,487	2,478	2,472	2,465	2,483	2,473	2,484	2,497	2,514	2,553	2,725	2,781	2,811	2,494	2,494	2,494	2,494
2,503	2,498	2,490	2,483	2,473	2,480	2,482	2,487	2,487	2,487	2,487	2,487	2,480	2,484	2,553	2,811	2,811	2,811
2,849	2,849	2,840	2,829	2,808	2,807	2,808	2,808	2,807	2,807	2,808	2,808	2,840	2,808	2,688	2,688	2,688	2,688
2,677	2,684	2,691	2,693	2,692	2,700	2,703	2,702	2,695	2,693	2,693	2,693	2,680	2,691	2,700	2,695	2,695	2,695
2,687	2,696	2,693	2,694	2,692	2,687	2,696	2,693	2,693	2,690	2,680	2,663	2,687	2,680	2,690	2,663	2,663	2,663
2,663	2,652	2,647	2,645	2,651	2,655	2,669	2,686	2,726	2,761	2,803	2,857	2,647	2,655	2,726	2,857	2,857	2,857
2,902	2,937	2,969	3,004	3,056	3,094	3,136	3,184	3,229	3,287	3,286	3,338	2,969	3,094	3,229	3,334	3,334	3,334
3,357	3,368	3,371	3,368	3,371	3,368	3,377	3,382	3,393	3,412	3,416	3,398	3,371	3,377	3,412	3,398	3,398	3,398
3,427	3,440	3,467	3,494	3,518	3,547	3,545	3,545	3,526	3,490	3,454	3,408	3,467	3,547	3,490	3,408	3,408	3,408
3,418	3,422	3,452	3,465	3,459	3,460	3,458	3,459	3,459	3,459	3,459	3,452	3,460	3,449	3,298	3,298	3,298	3,298
3,255	3,220	3,173	3,118	3,084	3,066	3,045	3,020	2,984	2,946	2,917	2,874	3,173	3,066	2,984	2,874	2,874	2,874
2,861	2,840	2,802	2,770	2,737	2,715	2,685	2,657	2,627	2,608	2,579	2,519	2,802	2,715	2,627	2,519	2,519	2,519
2,462	2,426	2,385	2,341	2,319	2,323	2,332	2,344	2,356	2,371	2,370	2,348	2,385	2,323	2,356	2,348	2,348	2,348
2,334	2,314	2,291	2,274	2,256	2,253	2,251	2,237	2,232	2,227	2,218	2,202	2,291	2,253	2,232	2,202	2,202	2,202
2,199	2,195	2,187	2,174	2,156	2,162	2,152	2,157	2,157	2,156	2,154	2,140	2,187	2,162	2,157	2,140	2,140	2,140
2,145	2,146	2,137	2,127	2,124	2,128	2,129	2,111	2,105	2,097	2,099	2,084	2,137	2,128	2,105	2,084	2,084	2,084
1,766...																	

678. DEFENSE DEPARTMENT PERSONNEL, CIVILIAN, DIRECT HIRE EMPLOYMENT, NOT SEASONALLY ADJUSTED  
(THOUSANDS)

													END OF PERIOD				
	1950...	1951...	1952...	1953...	1954...	1955...	1956...	1957...	1958...	1959...	1960...	1961...	1962...	1963...	1964...	1965...	1966...
750	744	743	745	754	753	779	859	904	941	967	988	743	753	904	988	988	988
1,047	1,100	1,150	1,182	1,202	1,235	1,249	1,258	1,261	1,270	1,274	1,278	1,150	1,235	1,261	1,278	1,278	1,278
1,290	1,296	1,300	1,307	1,315	1,337	1,339	1,334	1,328	1,329	1,330	1,330	1,300	1,337	1,328	1,330	1,330	1,330
1,426	1,410	1,390	1,365	1,342	1,332	1,320	1,308	1,298	1,278	1,253	1,248	1,390	1,332	1,288	1,248	1,248	1,248
1,241	1,232	1,224	1,219	1,212	1,209	1,202	1,193	1,180	1,177	1,181	1,180	1,224	1,209	1,180	1,180	1,180	1,180
1,183	1,182	1,181	1,182	1,185	1,187	1,186	1,187	1,180	1,181	1,179	1,176	1,165	1,179	1,180	1,176	1,176	1,176
1,165	1,165	1,165	1,168	1,171	1,179	1,184	1,187	1,180	1,183	1,179	1,176	1,165	1,179	1,180	1,176	1,176	1,176
1,174	1,172	1,168	1,165	1,160	1,161	1,160	1,154	1,150	1,150	1,155	1,153	1,174	1,168	1,161	1,130	1,085	1,085
1,083	1,084	1,084	1,084	1,084	1,084	1,098	1,097	1,098	1,097	1,095	1,094	1,088	1,097	1,093	1,088	1,088	1,088
1,076	1,078	1,075	1,075	1,078	1,078	1,071	1,064	1,060	1,060	1,060	1,056	1,076	1,078	1,064	1,052	1,052	1,052
1,048	1,046	1,043	1,044	1,044	1,045	1,045	1,045	1,037	1,035	1,035	1,032	1,046	1,046	1,037	1,032	1,032	1,032
1,033	1,034	1,035	1,034	1,041	1,042	1,042	1,042	1,043	1,052	1,052	1,058	1,060	1,059	1,035	1,042	1,052	1,052
1,060	1,061	1,061	1,063	1,066	1,070	1,072	1,076	1,067	1,067	1,069	1,070	1,066	1,061	1,070	1,067	1,066	1,066
1,064	1,061	1,056	1,056	1,056	1,056	1,052	1,052	1,053	1,053	1,046	1,045	1,026	1,046	1,056	1,050	1,046	1,043
1,042	1,040	1,039	1,036	1,036	1,036	1,031	1,034	1,026	1,024	1,023	1,019	1,039	1,042	1,026	1,026	1,026	1,026
1,017	1,018	1,018	1,022	1,027	1,034	1,046	1,055	1,045	1,052	1,060	1,057	1,018	1,034	1,045	1,057	1,057	1,057
1,063	1,072	1,088	1,101	1,111	1,138	1,166	1,187	1,184	1,184	1,184	1,184	1,088	1,184	1,184	1,230	1,230	1,230
1,246	1,260	1,268	1,273	1,274	1,303	1,311	1,306	1,276	1,277	1,277	1,271	1,268	1,303	1,274	1,271	1,271	1,271
1,267	1,265	1,266	1,267	1,271	1,317	1,316	1,316	1,276	1,275	1,275	1,273	1,266	1,317	1,276	1,273	1,273	1,273
1,315	1,316	1,317	1,316	1,312	1,342	1,348	1,327	1,296	1,285	1,285	1,272	1,317	1,342	1,296	1,262	1,262	1,262
1,254	1,240	1,224	1,218	1,213	1,196	1,184	1,177	1,169	1,169	1,162	1,158	1,224	1,196	1,169	1,152	1,152	1,152
1,145	1,142	1,141	1,136	1,127	1,127	1,129	1,132	1,130	1,129	1,129	1,129	1,142	1,127	1,130	1,122	1,122	1,122
1,119	1,117	1,112	1,107	1,090													



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**ALPHABETICAL INDEX—SERIES FINDING GUIDE**

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outstanding.						Ratio to shipments, defense products industries .....	690	12	...	11/72	2/73



